DOCUMENT RESUME

ED 148 612 SE 023 497

AUTHOR	Matticks, John L.
TITLE	Engineers' Overseas Handbook.
INSTITUTION	Bureau of Domestic Commerce (DOC), Washington, D.C.
PUB DATE	Jun 77
NOTE	293p.
AVAILABLE FROM	Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 (Stock Number 003-008-00178-5; No price quoted)
EDRS PRICE	MF-$0.83 HC-$15.39 Plus Postage.
DESCRIPTORS	Career Opportunities; *Engineering Education; *Engineers; Foreign Countries; *International Relations; Job Market; Jobs; *Marketing; *Overseas Employment; Science Education

ABSTRACT

This update of the 1971 handbook is designed to assist engineers and their firms in marketing their services overseas. Provided is condensed information sources of conditions in 122 free world countries. Information sources provided include the following: legal requirements, licensing, local representation, local participation, contracting procedures, currency conversion, repatriation of fees, taxation, and social costs. (SL)

****
* Documents acquired by ERIC include many informal unpublished *
* materials not available from other sources. ERIC makes every effort *
* to obtain the best copy available. Nevertheless, items of marginal *
* reproducibility are often encountered and this affects the quality *
* of the microfiche and hardcopy reproductions ERIC makes available *
* via the ERIC Document Reproduction Service (EDRS). EDRS is not *
* responsible for the quality of the original document. Reproductions *
* supplied by EDRS are the best that can be made from the original. *
****

U.S. DEPARTMENT OF HEALTH,
EDUCATION & WELFARE
NATIONAL INSTITUTE OF
EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

ED148612

engineers' overseas handbook

1/2/3/4

U.S. DEPARTMENT OF COMMERCE

Domestic and International Business Administration

Bureau of Domestic Commerce

June 1977

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402
Stock Number 003-008-00178-5

SE 023 497

CONTENTS

Page
Introduction v
Exporting Engineering Services vii
Lending Agencies xviii
Countries with Limited U.S. Commercial Missions xxviii
Questionnaire .... Pull Out Sheet
Margin Guide Page xxxi
PART I 1
Afghanistan — Algeria — Angola — Arab Republic of Egypt — Argentina — Australia — Austria — Bahamas — Bahrain — Bangladesh — Barbados — Belgium — Benin — Bermuda — Bolivia — Botswana — Brazil — Burma — Burundi
PART II 41
Cameroon — Canada — Central African Republic — Ceylon (See Sri Lanka) — Chad — Chile — Colombia — Republic of the Congo (Brazzaville) — Democratic Republic of the Congo (See Zaire) — Costa Rica — Cyprus — Dahomey (See Benin) — Denmark — Dominican Republic — Ecuador — El Salvador — Ethiopia
PART III 71
Finland — France — Gabon — Federal Republic of Germany — Ghana — Greece — Guatemala — Guinea — Guyana — Haiti — Honduras — Hong Kong
PART IV 97
Iceland — India — Indonesia — Iran — Iraq — Ireland — Israel — Italy — Ivory Coast — Jamaica — Japan — Jordan
PART V 123
Kenya — Korea — Kuwait — Lebanon — Lesotho — Liberia — Libya — Luxembourg — Malagasy Republic — Malawi — Malaysia — Mali — Malta — Mauritania — Mauritius – Mexico – Morocco – Mozambique
PART VI 161
Nepal — Netherlands — Netherlands Antilles — New Zealand — Nicaragua — Niger — Nigeria — Norway — Oman
PART VII 181
Pakistan — Panama — Paraquay — Peru — Philippines — Portugal — Qatar — Rwanda
PART VIII 199
Saudi Arabia — Senegal — Sierra Leone — Singapore — Somalia — South Africa — Spain — Sri Lanka — Sudan — Surinam — Sweden — Switzerland — Syria

PART IX 227
Taiwan — Tanzania — Thailand — Togo — Trinidad and Tobago — Tunisia — Turkey — Uganda — United Arab Emirates — United Kingdom — Upper Volta — Uruguay — Venezuela
PART X..255
Yemen Arab Republic — Yugoslavia — Zaire — Zambia

INTRODUCTION

This Handbook updates the 1971 edition. It is designed to assist U.S. engineers and their firms in marketing their services overseas by providing a condensed information source on particular conditions in 122 countries of the free world.

A 12-part questionnaire concerning the basic prerequisites for the practice of qualified engineers overseas under average conditions was sent to all U.S. Foreign Service posts in the free world countries. The answers represent the best information available to U.S. Foreign Service posts and the Department of Commerce as of July 1976. They pertain to legal requirements for licensing, local representation, local participation in projects, contracting procedures, convertibility of currency, repatriation of fees, taxation of firms and individuals, and social costs that must be borne by the employer.

The questionnaire was prepared by the Bureau of Domestic Commerce in cooperation with the American Consulting Engineers Council, the American Society of Civil Engineers, the Associated General Contractors of America, the National Constructors Association, and the National Society of Professional Engineers.

Many persons participated directly in the preparation of this revised edition. It was prepared in the Office of Business Research and Analysis of the Bureau of Domestic Commerce by John L. Matticks, Industry Commodity Specialist. His supervisors were K.L. Kollar, Director, Water Resources and Engineering Services Program, and W.E. Penoyar, Director, Construction and Forest Products Division. More than 120 Commercial Officers of U.S. Embassies or Consulates General, together with the several Country Market Managers, and staff members of the Bureau of International Commerce provided the basic information reported in this Edition. Invaluable assistance was provided by the Foreign Communications Center staff of both the Departments of State and Commerce. Many other persons contributed significantly to the preparation of this Handbook. It is regretted that all of these valuable contributions cannot be individually acknowledged.

The information presented in this edition was accurate at the time of its acquisition. However, experience has proven that the internal affairs of several nations can be highly dynamic. A publication such as this can only provide a "photograph" of the state of development in such countries. Information on tax matters is indicative of the scope of this problem. Tax laws are complex and are constantly changing. They should be reviewed carefully before signing a contract. When financing from external sources is involved, additional information will also be needed. In some cases, it is reported there are no legal restrictions affecting repatriation and convertibility of currency but in actual practice difficulties may exist. All data reported herein should be revalidated by the consultant through personal investigation preferably during or before negotiation with prospective clients, and certainly before any contractual obligations are assumed.

Notwithstanding these and similar uncertainties, engineers will find this Handbook to be a basic guideline to regulations affecting their practice overseas.

EXPORTING ENGINEERING SERVICES

Noted for their quality, dependability, and performance, U.S. engineers are making substantial contributions to the well-being of the global community. Consequently, the demand for their services is increasing with the following factors contributing to the demand:

- Desire of developing nations to elevate the quality of living of their people by accelerating economic growth through the use of technology.
- Desire of developed countries to increase productivity through the use of high technology equipment and processes.
- Desire of countries with well-developed, foreign exchange-producing extractive industries for increased goods and services.
- Improved relations between Eastern European countries and the United States.
- Increased availability of international financing.
- Shortage of qualified technical personnel to engineer the desired changes.

The link between engineers who write standards and specifications for materials and equipment to be used and the related sales of U.S. commodities and goods has been recognized. To maintain a continued high growth rate in the U.S. economy, the Department of Commerce plans and administers most of the operations designed to support the U.S. Government's export expansion program.

Of special interest to consulting engineers is the information, marketing, and procurement services offered by the Department with respect to the following:

- Foreign Government tenders.
- Reports on future foreign construction and industrial expansion projects.
- United Nations Development Programme (UNDP) projects covering preinvestment or feasibility studies.
- Foreign private business opportunities.

Development of Opportunities by the U.S. Department of Commerce

The Domestic and International Business Administration (DIBA), headed by the Assistant Secretary of Commerce for Domestic and International Business, has as one of its primary missions the conduct of the Department's activities under the export expansion program. This mission is carried out by four bureaus, 43 district offices strategically located throughout the United States and Puerto Rico, and by numerous overseas trade promotion facilities. Additionally, foreign trade opportunities and related information are disseminated through two publications *Commerce America* (formerly *Commerce Today*) and the "Commerce Business Daily" (subscriptions to these publications are available from the Government Printing Office or through any of the 43 Commerce district offices). In the event of short lead times, this information is disseminated directly to professional associations and societies.

The five bureaus actively working to improve and coordinate U.S. Government assistance to firms seeking overseas contracts are the Bureau of Domestic Commerce, the Bureau of International Commerce, the Bureau of East-West Trade, the Bureau of International Economic Policy and Research, and the Bureau of Resources and Trade Assistance. The individual responsibilities of these five bureaus are much broader than is indicated below. In the interest of brevity, only those functions deemed essential to users of this Handbook have been summarized. It is to be noted that while all of these share the responsibility for the development and advancement of the U.S. export expansion program, the direct responsibility for assisting engineering and construction firms in the marketing of their services overseas is jointly shared by the Bureau of Domestic Commerce and the Bureau of International Commerce.

Bureau of Domestic Commerce

The Bureau of Domestic Commerce (BDC) promotes and fosters the growth and development of domestic business and industry. Insofar as the export of goods and services serves to enhance this growth and development, the resources of BDC are available—and heavily used—to support domestic business in its overseas endeavors. The Bureau provides policy analysis, information, services, and assistance essential to both business growth and technological development.

To achieve its objectives, BDC is organized into the Office of Business Research and Analysis, Office of Business and Legislative Issues, Office of Industrial Mobilization, and Office of Ombudsman. The prime responsibilities of these Offices are briefly described below.

Office of Business Research and Analysis (OBRA)

This Office is the largest in BDC. Its staff of industry analysts collect, analyze, and maintain factual data on U.S. industries. OBRA's work involves both domestic and international data in categories such as production, pricing, inventories, marketing, labor, financing, taxation, and company profiles. This data is utilized to support policy decisions and program actions within Government, and to inform and advise private sectors of the economy on developments and actions contributing to sound economic growth.

In addition to its many commodity related activities, OBRA has the responsibility for maintaining direct contact with the engineering and construction professions. Its industry specialists disseminate information regarding specialized international project areas such as water resources, electronics, telecommunications, power generation, hydropower, highways, airports, industrial plants, and other construction activities acquired from the U.S. Foreign Service, international organizations, and Foreign Governments.

This Office also produces periodicals covering the construction, containers and packaging, copper, printing and publishing, and pulp, paper and board industries; and market research data. OBRA also produces special industry reports and studies.

Primary liaison between the Bureau of International Commerce and the industry divisions of this Office is maintained through the Director, Water Resources and Engineering Services Program.

Office of Business and Legislative Issues

This office is primarily charged with the review of proposed legislation on business-related issues, the conduct of studies and analyses to insure a balanced and informed approach to dealing with the Nation's environmental problems that affect business and economic activity, and the conduct of quantitative analyses of emerging issues and their effect on domestic business and industry.

Office of Industrial Mobilization

The Office of Industrial Mobilization is charged with the responsibility for fulfilling program responsibilities for defense production and industrial readiness. It administers a system of priorities to assure that defense contractors acquire needed strategic materials. It reviews stockpile requirements, identifies essential industries and their sources of supply, and supervises the National Defense Executive Reserve.

Office of Ombudsman for Business

The Ombudsman for Business was established to serve as a central place in the Federal Government where businessmen, consumers, and others could address their requests for information and services, as well as voice their complaints, criticisms, and suggestions. Thus, the prime responsibility of this Office is to receive and respond to inquiries and to provide business-related advice and assistance to the public at large.

Bureau of International Commerce

The Bureau of International Commerce (BIC) helps U.S. business sell its goods in international markets by providing commercial, economic, and marketing information on export prospects and methods of marketing goods, and provides information on prospective customers. Within the BIC the responsibility for assisting engineering and construction firms is coordinated in its Office of International marketing (Country Market Managers), Office of Export Development (Major Export Projects Division, Export Information Reference Room, and Trade Opportunities Program), and the Commerce Action Group for the Near East (CAGNE). The services offered are summarized below.

Office of International Marketing

Consultants interested in the political and business conditions in a specific part of the globe can contact the appropriate Country Marketing Manager. These persons have highly specialized knowledge of current economic trends and development plans, as well as information on local business and trade practices of their country or area.

Supplementing this market counseling is the International Marketing Information Series (IMIS), which consists of special publications designed to provide the specific data needed to make export marketing decisions. These include *Global Market Surveys* (the best foreign markets for a single U.S. industry), *Producer Goods and Consumer Goods Research* (the best foreign sales opportunities for a single industry), *Overseas Business Reports* (current and detailed marketing information on leading U.S. trading partners), *Foreign Economic Trends* (annual or semi-annual economic forecasts covering individually almost every country in the world), and *International Marketing Newsmemos* (information bulletins received from the U.S. Foreign Service; reports prepared by U.S. businessmen or Department of Commerce officers).

Office of Export Development

Three primary resource facilities exist within this Office. These are the Major Export Projects Division (MEPD), the Export Information Reference Room, and the Trade Opportunities Program.

Major Export Projects Program—This program is designed to help U.S. firms win contracts for planning, engineering, and construction of large foreign infrastructure and industrial systems projects, including equipment and turnkey installations. Assistance is provided when requested by either an American Embassy, a prospective foreign client, or a U.S. firm, either to encourage U.S. companies to bid on a particular project, or to help such companies pursue overseas contracts.

Export Information Reference Room—This reference library is located in the main Commerce Department building in Washington, D.C. (Room 1061). It is open between 8:30 a.m. and 5 p.m., Monday through Friday. Here consultants, and others with a "need-to-know", may review a wide range of current foreign trade opportunity information from overseas posts and other Federal agencies. The Reference Room also has data files on major foreign projects under consideration by international financial institutions—World Bank Group, Inter-American Development Bank, Asian Development Bank, and the United Nations Development Programme. The limited staff resources of the Reference Room require that information requests be made through personal visitations only.

Trade Opportunities Program (TOPS)—TOPS is a computerized mailing service matching U.S. firms with foreign trade opportunity information. A U.S. businessman, as a subscriber to TOPS, specifies the products and countries for which he wants trade opportunities. As trade opportunities are received from U.S. Foreign Service posts, they are matched against the subscriber's information specifications. When a match occurs, a notice of the opportunity is then mailed to the subscriber. The TOPS has developed a special industry classification, major group #99, to cover major projects, consultancy, and engineering services.

Commerce Action Group for the Near East (CAGNE)

The Business Facilitation Staff of CAGNE seeks to help American firms gain a bigger share of the major development, engineering, and construction projects in the Near East and North Africa. It provides direct assistance to U.S. firms which ranges from disseminating information about projects in pre-planning stages to assistance in preparing successful bid submissions. As part of this service, CAGNE has published *A Business Guide to the Near East and North Africa.* In addition to its export enhancement activities, CAGNE coordinates Commerce Department participation in the special, bilateral Joint Commissions that have been formed with Egypt, Israel, Tunisia, Iran, Saudi Arabia, and Jordan. The commission mechanism enables CAGNE to bring U.S. technology and business expertise to bear on the economic development problems of these various countries.

Bureau of East-West Trade

The Bureau of East-West Trade (BEWT) coordinates policies and programs with regard to trade promotion and other commercial relations with the Socialist nations; and provides analytic support for the development of trade policy and the conduct of trade negotiations.

Bureau of Resources and Trade Assistance

The Bureau of Resources and Trade Assistance has prime responsibility for matters involving the fiber, textile, and apparel sector of the industrial economy including negotiation and administration of international textile agreements.

In addition, the Bureau administers certain statutory programs dealing with the entry into the U.S. of specified categories of products and equipment.

Bureau of International Economic Policy & Research

The Bureau of International Economic Policy and Research assists the Department in the research, analysis, and formulation of international economic and commercial programs and policies relating to trade, finance and investment, and competitive assessment. It initiates and reviews research studies on developments affecting U.S. trade and commercial interests abroad and provides statistical information and analysis on the foreign trade of the U.S. and foreign countries. This Bureau also represents the Department in economic policy formulation in international trade and other negotiations.

Development of Opportunities by other U.S. Government Agencies

Inter-Agency Task Force of Engineering & Construction

The Inter-Agency Task Force of Engineering and Construction was formed in 1975 by the President's Inter-Agency Committee on Export Expansion. One of the first actions of the Task Force was the preparation of a booklet describing briefly the programs of each U.S. Government agency relative to the industry. The booklet, "Foreign Construction Offers Profits to U.S. Firms", lists key contracts in each agency, with addresses, and telephone numbers. It is available from DIBA, U.S. Department of Commerce, Washington, D.C. 20230, and all Commerce District Offices.

U.S. Army Corps of Engineers

The U.S. Army Corps of Engineers is one of the Department of Defense construction agencies. The Corps operates in the United States and overseas in Europe, the Pacific, and the Middle East contracting for engineering, design, and construction of various military and infrastructure projects.

Their work principally supports U.S. Armed Forces and U.S. agencies located in these areas except for the Middle East programs. The Middle East activities are similar in nature, but are fully reimbursable programs for foreign governments through security assistance programs and country-to-country diplomatic agreements.

Contracting is accomplished in accordance with the Armed Services Procurement Regulations (ASPR's) as applicable to overseas operations. In work managed by the Corps for foreign governments, the contracts are normally with the Corps rather than directly with the foreign governments.

Firms wishing to participate in overseas projects administered by the Corps should contact the Director, Military Construction at: Department of the Army, Office, Chief of Engineers, Washington, D.C. 20314, telephone (202) 693-6435.

Notes on Overseas Engineering

The U.S. consultant has managed to survive and grow overseas through aggressiveness, persistence, and adaptability. International competition is keen. Not only do Ameican consultants compete against one another, but they are also pitted against the best engineers that can be offered by many other developed nations.

Traditional methods of marketing his services—reliance on the client's acquaintance with the professional qualifications and technical capabilities of his firm, and the client's acceptance of a nonpriced technical proposal submitted in response to an invitation to bid—work well in the domestic market, but do not serve the international consultant well. Firms that follow these practices soon find themselves far removed from a substantial area of the more lucrative markets. More often than not, foreign clients demand priced proposals and joint ventures with local affiliates in which the U.S. firm can only retain minority control. In addition, consultants should be particularly sensitive to the following considerations:

- POLITICAL—Continuity and stability of infrastructure; likelihood of intervention in business by Government; trends of nationalism and regionalism; risk factors associated with potential civil disturbances; direction and level of internal development; and impact on project schedule by actions of the foreign bureaucracy.
- COMMERCIAL— Quality of technical support services; availability, stability, and skill level of labor; availability of equipment and materials; business practices and ethics; incidence of vandalism and petty thievery.
- LEGAL—Licensing requirements; local representation; host country participation in contracts; contracting procedures; turnkey contracting; conciliation and arbitration; performance guarantees; constraints on movement of capital; taxation; and labor laws.
- FINANCIAL—Capital requirements; domestic and foreign taxes, duties, and surcharges; export credits; tax concessions; financial market conditions; credit-worthiness of participants; sources of project funding and financing; lender's restrictions; pre-investment costs; agent's remuneration; stability of currency; availability of foreign exchange; escalation of costs; general inflation; monetary reserves to offset delayed payments; and expatriate mobilization costs.
- SOCIAL—Language; religious practices; social customs and traditions; class distinctions; cultural differences, particularly with respect to concepts of time; holidays and religious observances; and expatriate living conditions.

Thus, in addition to this technical professional capabilities, today's international consultant must possess administrative, legal, financial, accounting, administrative, and marketing skills or have ready access to such resources.

Before he commits himself to pursuing work in the foreign market, the engineering consultant should first assess his firm's potential for satisfying these resource requirements. Specifically, he should ask:

1. "Is the firm large enough to enter the overseas market with other highly competitive U.S. and international firms, and can it absorb the financial loss it may incur should its promotional efforts not meet expectations?"
2. "Are personnel available who can effect marketing contacts with agencies that require services similar to those offered by the firm?"

3. "Can the firm develop reliable, timely sources of information about prospective projects?"
4. "Is the firm aware of existing sources of effective assistance?"
5. "Is it desirable for some of the staff to have had foreign experience or to have bilingual skills?"
6. "Most importantly, does the firm have sufficient capital strength to be able to complete an entire project and finance its efforts for an indefinite period before a contract is obtained?"

These and other important questions should be considered before a firm presents itself to prospective foreign clients. An alternative to problems posed by the sixth question is to form a consortium with other firms to reduce corporate responsibility and to obtain more flexibility in staff and fields of specialization. Another alternative would be to secure subcontracts from large firms already working overseas.

A routine, but essential step is registration with U.S. and other international lending agencies. All of these agencies maintain engineer registers. Each has its own listing form. It is recommended that forms be submitted in person and contact made with the engineering personnel at each agency to acquaint them with the capabilities and intentions of your firm. These contacts should be renewed periodically.

Information provided by these lending agencies may help engineers select a region in which to concentrate business activities. If a country's development plans have been approved by both the local government and an international development agency, external financing will usually be available. However, being registered with the international lending agencies is no guarantee of securing overseas contracts.

As in the domestic market, the basic step is to make contacts with potential customers. Although contacts with U.S. and other international development agencies are valuable, the best method of developing new foreign business is to visit the countries themselves. Few overseas projects are acquired through agency contacts alone. Projects are usually secured through leads obtained from officials or businessmen in the countries concerned.

Larger engineering companies have marketing representatives who are constantly visiting foreign countries, developing leads, and "backstopping" these leads with whatever additional information can be obtained at the lending agencies in Washington. However, many companies' budgets for business development may limit such promotional activities.

Before taking a trip abroad, a company representative can obtain considerable information and background data from the Bureau of International Commerce at the Department of Commerce. Upon arrival in a country, the normal procedure is to first call on the U.S. Commercial Attaché. With sufficient advance notice through the Business Counseling Section of the BIC's Office of Export Development, Commercial Attachés can be asked to make appointments with local officials.

Since all countries and development agencies stress development of local capabilities, it is advisable to seek out, and work with, a local partner or agent. The Commercial Attache can furnish information from World Trade Directory Reports regarding the commercial reliability of local representatives or firms. The laws and regulations on income taxes, labor, currency convertibility and repatriation, professional registration, and other matters reported on each country and highlighted in this Handbook should be investigated at the same time.

A firm must be prepared to meet whatever conditions develop. In the case of lending agencies, negotiation of contracts is practiced. In dealing with local Governments, especially when local funds are involved, bids may be called by the Government agency undertaking a project.

Some contracts pose other problems. Special attention should be given to convertibility, repatriation, arbitration clauses, waivers of import duties on necessary equipment, waivers of income tax on personal earnings, termination clauses in case of emergency, language on plans, systems of measurement, and documentary stamp taxes. Additionally, the consultant should familiarize himself with contracting procedures in the host country and should be particularly aware of the prevalent trend towards consortium and turnkey contracting, with bids let through price bidding. Advice on these matters may be obtained from local lawyers, international accounting firms, private banks, and U.S. Foreign Service posts.

Project designs should also take local conditions and customs into consideration.

The importance of fluency in the language of the host country cannot be overemphasized. Spanish and French are usually most commonly spoken after English in those countries where contracts will most likely be sought. It is advisable to employ local citizens who can converse in two or more languages. Brochures must be published in the language of the country where business is being solicited, and translation from English should be done abroad in local terms. Quite often, the only version of a contract recognized by local courts is one written in the language of the country.

In view of the preceding information, it may appear that overseas contracting is complicated and filled with uncertainties and hazards too great to warrant the risks. To the contrary, the rewards more than compensate for the risks for those willing to fully explore the resource assistance available; to learn the ground rules; to provide strong leadership; and to make fair bilateral accomodations. The international market is the consultant's last frontier. It stimulates unusual professional challenge and involvement in the face of intense, formidable competition. It furnishes exciting projects requiring unique solutions which provide outlets for strong leadership, initiative, creativity, and ingenuity. It holds the promise of prestige, diversity, and continued growth, while providing a productive source of monetary profit.

U.S. consulting engineers should remember that they are always guests of the country in which they are negotiating or working, and that they represent the United States in the eyes of their hosts.

International Federation of Consulting Engineers (FIDIC)

The International Federation of Consulting Engineers is a federation of National Associations of Consulting Engineers.

The following countries are members of FIDIC and the number in parenthesis indicates the approximate number of members in each national association:

Australia (570)
Belgium (120)
Brazil (161)
Canada (1250)
Denmark (415)
Finland (350)
France (770)
Germany (2200)
Iceland (50)
India (90)
Iran (60)
Ireland (100)
Italy (170)
Jamaica (35)
Japan (220)
Kenya (35)
Luxemburg (20)
Malaysia (70)
Netherlands (180)
New Zealand (325)
Norway (453)
Rhodesia & Malawi (50)
Singapore (40)
South Africa (400)
Spain (60)
Sweden (700)
Switzerland (180)
United Kingdom (1045)
United States (5870)

FIDIC represents the interests of independent consulting engineers worldwide. It serves as the liaison for its membership with the international banks and agencies such as the International Bank for Reconstruction and Development, the Inter-American Development Bank, the African Development Bank, the Asian Development Bank, the United Nations Development Programme, the Food and Agriculture Organization of the United Nations, the World Health Organization, the United Nations Office of Technical Cooperation, the European Development Fund, the Kuwait Fund for Arab Economic Development, the Arab Fund for Economic and Social Development, and others.

FIDIC is opposed to competitive price-bidding for professional services. Matters handled by the Federation include remuneration structure for international work, professional liability, and standardization of procedures for the registration of consultants.

FIDIC has numerous publications of value to the independent consulting engineer. The *Conditions of Contract (International) for Works of Civil Engineering Construction* is used universally for major civil engineering works and the *Conditions of Contract (International) for Electrical and Mechanical Works* is also widely used. The *International General Rules for Agreement between Client and Consulting Engineer*, known as IGRA, is a universally accepted standard for consultants' contracts both for pre-investment studies and for the design and supervision of construction works.

FIDIC has several study and task committees working internationally on matters of importance to the consulting engineer. It also acts as a valuable liaison office between members of different countries.

Contact may be made either through the consulting engineer's own national association or directly with the Secretariat, 9 Carel van Bylandtlaan, The Hague, Netherlands.

Lending Agencies

U.S. consulting engineers interested in foreign work should be well-versed in the operations of national and international financing agencies. The principal ones are the International Bank for Reconstruction and Development (IBRD), or World Bank; the International Development Association (IDA), an affiliate of IBRD; the International Finance Corporation (IFC), also an affiliate of IBRD; the Inter-American Development Bank (IDB); the Export-Import Bank of the United States (Eximbank); the U.S. Agency for International Development (AID); Overseas Private Investment Corporation (OPIC); the Asian Development Bank; and, the African Development Bank. Except for the last two agencies, all are headquartered in Washington, D.C.

Criteria generally used for judging projects of the borrower are: (1) Whether the project contributes to economic development; (2) whether it is consistent with development plans; (3) whether it is economically and technically sound; (4) whether adequate self-help measures are being taken; (5) whether there is ability to repay; and, (6) whether financial assistance from other free world or private sources has been adequately considered.

Proposed projects are classified according to the following order of priority: (1) productive projects that will contribute immediately to economic development, such as power, irrigation, ports, or transportation; (2) projects that will earn or save foreign exchange, for example, local basic industries; and, (3) projects of a social or developmental nature, such as water and sewerage utilities, schools, hospitals, and housing.

All the lending agencies, national and international, have close working relations; all follow the above criteria and priorities, based on their collective experience and their operating policies.

International Bank for Reconstruction and Development (IBRD) or World Bank

The World Bank is the largest international source of development funds.

It is an international agency, with 127 member countries, headquartered in Washington, D.C. Its operating staff is composed of nationals from member countries. The Bank keeps a file of worldwide engineering firms and their specialties.

Loans are made to governments, or to organizations which can obtain a government guarantee, and are normally made on a project basis. Usually, loans are for foreign exchange costs, although local currency costs may also be financed under certain circumstances.

Economic development loans have been made for electric power, transportation, telecommunications, agriculture and rural development, population planning, tourism, water supply, urban development, industrial and general development, and education.

Under a technical assistance program, the Bank may finance technical studies or carry them out as executing agent for the United Nations Development Programme. Feasibility studies for projects usually are the obligation of the borrower, although the Bank has helped finance, for example, comprehensive transportation studies by consulting engineers in Colombia and Peru. Final engineering studies may be included in the project loan. Normally, engineering services are contracted for by the borrower with the Bank's approval.

Information regarding specific projects should be obtained from borrowers, not from the Bank. The normal contact within the Bank for consulting engineers is with the Central Projects Staff, World Bank, 1818 H Street, N.W., Washington, D.C. 20433.

International Development Association (IDA)

The International Development Association is wholly administered by the World Bank and has no separate staff. It was established in 1960 to provide financing for the same kinds of projects as those financed by the World Bank, but on concessionary terms, in countries where the economic situation is such that the governments are not able to absorb and service additional debt on conventional terms.

IDA credits up to now have been for a term of 50 years, free of interest. As in the case of loans from the World Bank, repayment is required in the currency loaned.

Feasibility studies are sometimes financed, and final engineering studies can be included in project loans. Information is available from the World Bank.

Inter-American Development Bank (IDB)

The Inter-American Development Bank is a regional inter-American institution created to accelerate the individual and collective development of its member countries. The membership as of July 31, 1976 included the United States, Canada and 22 other nations of the inter-American system, and 9 countries from outside the region. The 22 other regional countries are: Argentina, Barbados, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, Uruguay, and Venezuela. The 9 nonregional countries are: Belgium, Denmark, Germany, Israel, Japan, Spain, Switzerland, the United Kingdom, and Yugoslavia.

The Bank provides financing for economic and social development projects and programs in both the private and public sectors from various funds at its disposal. It extends "hard" loans from its ordinary capital resources and "soft" loans from its Fund for Special Operations, and from the Social Progress Trust Fund (financed by U.S. funds only) which the Bank administers for the U.S. Government. The Bank also makes loans from other funds placed under its administration by certain member, as well as nonmember, countries.

Ordinary capital loans are extended essentially to finance economic development projects in the fields of industry and mining, agriculture, electric power, transportation, communications, and, in some cases, water supply systems. Substantial portions of the loans normally are extended in dollars or other "hard" currencies and are repayable in the currencies loaned. Feasibility studies are the responsibility of the borrower, but final engineering studies can be included in project loans. Loan funds may also finance technical services required in the execution of the project. Procurement is open to international participation.

The new nonregional member countries, however, are eligible for procurement for projects financed by the Bank, with the ordinary capital resources as well as with the new inter-regional capital.

The Fund for Special Operations is used to finance projects under terms and conditions appropriate for dealing with special circumstances arising in specific countries or with respect to specific projects. Thus, loans from the Fund are extended under easier conditions than those made from the ordinary sources, including longer terms and lower interest rates and the possibility of repayment in local currency. Fields of financing include agriculture, industry, electric power, transportation, communications, water supply, housing, education, tourism, and pre-investment. Project evaluation criteria and feasibility and engineering study requirements are the same as those applying to ordinary capital loans. Procurement, however, is limited to the Bank's member countries, with the new nonregional members being eligible to participate in procurement made with loans extended with resources they contributed to the Fund after July 9, 1976.

The Social Progress Trust Fund was established in 1961 to promote social development projects in the fields of improved land use, housing for low-income groups, water supply and sewerage facilities, and advanced education and training. This Fund is now almost entirely committed, and its functions have been transferred to the Fund for Special Operations. Loans extended from the Fund were made on long terms and low-interest rates, and were repayable in local currency. Procurement is limited to the United States or to the country where the project is carried out.

The Bank also manages funds for the United States (the now committed U.S. $525 million Social Progress Trust Fund), Argentina, Canada, Venezuela, Germany, Norway, Sweden, Switzerland, and the

United Kingdom. With the exception of the Venezuelan Fund established with U.S. $500 million in 1975 and lent out on terms comparable to the ordinary capital resources, all of these funds have been committed in loans.

In addition to its project financing, the Bank provides financing for technical assistance services, including the preparation of specific and general feasibility studies, and technical advisory services for the execution of projects and institutional reforms. Specific feasibility studies are usually financed through loans made directly to a local firm or institution, or indirectly through a national development agency which relends the loan proceeds to firms or agencies requiring such assistance. Under special circumstances, the Bank extends grant technical assistance to finance services related to project preparation and execution, or institutional reform. Normally, when a borrower from the Bank needs consulting services, he is responsible for procuring a qualified firm. For each specific project, such a selection is made from a list of professional services contractors prepared by the borrower and submitted for prior approval of the Bank. Additional information can be obtained from the Office of Professional Services Firms, Project Analysis Department, Inter-American Development Bank, 808 17th Street, N.W., Washington, D.C. 20577.

Export-Import Bank of the United States (Eximbank)

Eximbank is the U.S. Government agency that assists in financing and facilitates the export of U.S. goods and services. Its programs are designed to help U.S. business in the world market and consist of:

Preliminary Commitments. —A preliminary commitment for a direct loan and/or a financial guarantee can be an important sales tool for American exporters. Eximbank will provide the U.S. supplier, the prospective borrower, or a participating financial institution with a Preliminary Commitment letter outlining the amount, terms and conditions of the financial assistance it is prepared to extend to support major U.S. export sales.

Direct Loans.—In a major U.S. export transaction, Eximbank often extends a loan directly to the purchaser. This is to assist in financing multi-million dollar sales that call for extended repayment periods of five years or longer. The loan, in U.S. dollars, may support from 30 to 45 percent, and occasionally as much as 55 percent, of the U.S. export value. The interest rate on Eximbank loans usually ranges from 8¼ to 9½ percent per annum, depending on the repayment period. A commitment fee of one-half of one percent applies from authorization until disbursement.

Financial Guarantees.—To encourage commercial financing for these multi-million dollar exports, Eximbank may provide a Financial Guarantee to assure the commercial lenders that their loans will be repaid. The lender pays commitment and guarantee fees for this protection. A Financial Guarantee is usually issued in conjunction with a Direct Loan.

Commercial Bank Exporter Guarantees.—Eximbank provides guarantees to U.S. commercial banks that lend money to the foreign customers of U.S. exporters. The guarantee covers most of the commercial and political risks of nonpayment by the foreign buyer.

Discount Loans.—Eximbank extends loans to U.S. commercial banks which provide export financing, to encourage them to extend medium-term (one to five year repayment) export loans at fixed rates of interest. The commercial bank must obtain a commitment for a Discount Loan before shipment of the products or performance of the services.

Cooperative Financing Facility. —This program helps a foreign buyer of U.S. products to get medium-term credit from his local bank to finance his purchase. The loan generally is available for purchases under U.S. $500,000. Eximbank enters into agreements with cooperating banks to lend them one-half of the funds required for each export loan. The foreign bank provides the other half of the funds and takes the credit risk on the entire transaction.

Export Credit Insurance.—U.S. exporters who extend their own short and medium-term credit to foreign customers may obtain commercial and political risk insurance from the Foreign Credit Insurance Association, an association of private insurance companies, working under a reinsurance and agency agreement with Eximbank.

As a general rule, all transactions supported by Eximbank must include a 15% cash payment by the buyer, and must have reasonable assurance of repayment. The Bank is directed by statute to supplement and encourage private capital, not compete with it. The Bank is prohibited from financing sales of military items to economically less developed countries; sales of any item to a country which is engaged in armed conflict with the United States, or sales to Communist countries unless the President of the United States issues a determination that is in the national interest for Eximbank to engage in operations with respect to a particular Communist country. At present, Eximbank operates only with the Communist countries of Poland, Romania, and Yugoslavia.

For additional information, contact the Export-Import Bank of the United States, 811 Vermont Avenue, N.W., Washington, D.C. 20571 or Telex 89-461.

Agency for International Development (AID)

The United States through the Agency for International Development (AID), Department of State, provides development assistance to selected lesser developed countries in the free world to advance mutually agreed upon objectives. Statutory authorization for this assistance is provided by the Foreign Assistance Act (FAA) of 1961, as amended, and funds are provided through annual appropriations.

To achieve objectives of the Act, Congress defined various principles in the Foreign Assistance Act of 1973 under which authorized programs should be carried out. Included as a principle was advice that the first objects of assistance shall be to support the efforts of less developed countries to meet the fundamental needs of their people for sufficient food, good health, home ownership, and decent housing, and the opportunity to make their own way forward with particular emphasis on voluntary family planning and use of resources for food production. The emphasis by Congress on assistance to the poorest people of the countries to whom assistance is given is significant since expanded social and humanitarian programs have resulted therefrom with concomitant de-emphasis on development of capital projects with which architect-engineer services are normally associated.

Nonetheless, AID is involved with development assistance and architect-engineering (A-E) projects arising from such assistance are generally infrastructural in nature and usually consist of transportation, water resources, and power projects. Services required for implementation of these projects, therefore, generally consist of engineering services for complete feasibility studies and for designs.

There are two types of contracting used for procurement of A-E services for AID-financed projects. The first is one in which the selection of firms and controls for contracting, including contract awards, are by the Borrower/Grantee country. In the other type, AID contracts directly with a U.S. firm. In the first instance, Borrower/Grantee countries responsible for selection and procurement processes, normally follow AID guidelines. In the second case where AID contracts directly, the U.S. Federal Procurement Regulations supplemented by the procurement regulations of AID will dictate procedures to be followed for selections and awards of A-E contracts. The procedures under both cases are quite similar and AID is required to approve the contractors and contracts for both construction and engineering services in either case.

The principal source of A-E contracts under AID-financed programs is through Borrower Implement loan projects. A-E selections under Borrower contracts follow procedures furnished in the AID publication *Country Contracting Handbook*. The principal steps involved are:

1. Publication of Notice in the *Commerce Business Daily*.
2. Prequalification of firms by the Borrower Country after receipt of expressions of interest (Forms SF 254 and SF 255).
3. Solicitation of technical proposals from "short-listed" firms. After short-listing is done by the Borrower country an RFP is sent to the short-listed firms.

4. Technical proposals are evaluated and the proposed contractor is selected.
5. Invitation of price proposal from first choice firm, followed by negotiations and execution of contract by Borrower Country and contractor.

Approval by AID of relevant documents will be required with respect to each of the foregoing steps.

For the relatively few direct A-E contracts which AID enters into each year, the principal steps are:

1. Publication of Notice in the *Commerce Business Daily*.
2. Receipts of SF 254's and Sf 255's forwarded by interested firms.
3. Review of AID's Index of A-E firms for possible candidates if available; candidates are requested to forward SF 255 forms.
4. Evaluation by Selection Panel established by the Director, Office of Engineering.
5. Short-listing of firms and conducting interviews with short-listed firms.

The AID Office of Small Business in Washington maintains an extensive file, the Contractor's Index, of consulting firms which desire to be registered with AID. This file is used only to review qualifications of firms as possible candidates for direct AID contracts. Since the number of direct AID contracts is relatively small when compared to A-E contracts awarded by Borrower/Grantee countries, interested firms are encouraged to monitor the *Commerce Business Daily* for possible contract opportunities in which they may wish to express interest. Interest expressions for Borrower/Grantee contracts are to be forwarded directly to the country advertising the project for their consideration and/or evaluation.

Architect-Engineer firms wishing to be included in AID's Index of A-E firms should submit one copy of form SF 254 to the following:

Office of Small Business, SER/CM
Agency for International Development
Washington, D.C. 20523
Phone: (703) 235-9155

Annual updated SF 254's should also be sent to the Office of Small Business. Firms are cautioned that filing their A-E questionnaires with AID does not necessarily entitle them to automatic consideration for AID-financed projects. Additional information may be obtained from the Office of Engineering, Agency for International Development, Washingtion, D.C. 20523, telephone (703) 235-9821.

Overseas Private Investment Corporation (OPIC)

The Overseas Private Investment Corporation is an agency of the U.S. Government, authorized in the Foreign Assistance Act of 1969 and formally established in January 1971 "to mobilize and facilitate the participation of United States private capital and skills in the economic and social development of less developed friendly countries and areas, thereby complementing the development assistance objectives of the United States."

In keeping with the objectives set forth by Congress, OPIC is fostering economic progress and development in some 80 friendly lesser developed countries in Latin America, Asia, Africa, and Eastern Europe. It does this by providing qualified U.S. investors, both large and small, with political risk insurance and financial assistance to support their investments in these countries.

OPIC programs are extended to new projects or for the expansion of existing projects which are financially sound. All projects OPIC supports must assist in the social and economic development of the host country, and must be consistent with the economic interests of the United States.

Insurance Services

OPIC's investment insurance program provides coverage against:

- Inconvertibility of local currency earnings
- Expropriation
- War, revolution and insurrection

OPIC's typical investment insurance coverage is available for up to 20 years at a combined annual premium of 1½% of all three coverages.

OPIC also offers insurance protection to U.S. construction and service contractors contemplating work in the developing nations. The policy offers contractors with foreign governments compensation for equipment, plant and materials damaged by war, revolution or insurrection; and protects against expropriation of tangible assets and bank accounts in the host country, non-payment of settlements awarded under settlement of disputes procedures in the contract, and refusal of a host government to arbitrate pursuant to the disputes clause of the contract.

Finance Services

The major objective of the finance program is to assist U.S. lenders and business enterprises in searching out and financing worthwhile projects in the developing world. The three principal means for accomplishing this are OPIC's investment guaranty program, its direct investment fund, and its pre-investment assistance program.

The investment guaranty program protects U.S. lenders against loss from commercial and political risks by providing for repayment of principal and interest on loans made to eligible borrowers. The direct investment fund offers direct dollar lending with varying interest rates depending on OPIC's assessment of the risk and its opportunity to share in the profits of the project. The pre-investment survey program is designed to assist investors on a risk-sharing basis in finding viable projects in the developing nations.

Additional information may be obtained from the Overseas Private Investment Corporation, 1129 20th Street, N.W., Washington, D.C. 20527, Telex-OPIC Wsh 89-2310.

Asian Development Bank (ADB)

The Asian Development Bank (ADB) is an international development finance institution owned by its member Governments. It was established in December 1966 mainly for the purpose of lending funds and providing technical assistance to developing member countries in the region of Asia and the Far East, including the South Pacific; and for promoting investment and generally fostering economic growth in the region. The Bank's headquarters are in Manila, Philippines.

The Bank has 42 members—28 from the region of which three are developed countries; and 14 from outside the region including 12 from Western Europe, the United States and Canada.

The financial resources of the Bank consist of: (1) Ordinary capital resources comprising subscribed capital, funds raised through borrowings and reserves; and, (2) Special Funds resources comprising contributions made by member countries for the Bank's concessional lending and technical assistance activities, and capital set aside for concessional lending. The authorized capital stock of the Bank was around U.S. $3.7 billion as of December 31, 1975.

Of the authorized capital stock, the amount of US$3.2 billion has been subscribed by the members, 33% of such subscriptions being paid-in, and 67% being callable capital. At the end of 1975, 47% of the total paid-in portion of the Bank's capital was paid or payable in gold or convertible currencies and 53% in the members' own currencies.

The Bank makes two kinds of loans—ordinary loans from its ordinary capital resources and concessional loans from its Special Funds resources. Since February 14, 1975, the Bank has been charging 8.75% interest on ordinary loans. Borrowers from countries with a per capita GNP which exceeded US$850 at the end of 1972 have, however, to pay an additional interest charge of 0.75%, or 9.5% per annum.

On loans from its "soft" window—the Asian Development Fund—the Bank charges no interest, but only a service charge of 1%, with repayment over 40 years, including a 10-year grace period. These loans are given to the Bank's poorest developing member countries.

As of June 30, 1976, the Bank had lent US$2.9 billion for 242 projects in 21 developing countries, extending from Afghanistan to Western Samoa. Of this, US$3.3 billion represented loans from ordinary capital resources and US$737 million from Special Funds. The projects financed by the Bank covered major sectors such as agriculture and agro-industry (22.48%); industry (22.76%); public utilities including power, water supply, and gas (34.98%); transport and communications (18.84%); and, education (nearly one percent). The Bank had also provided technical assistance valued at US$26.4 million to 22 developing member countries and undertaken several regional activities with the basic aim of promoting regional economic grown and development.

Procurement of goods and consultant services under Bank assistance is undertaken in accordance with specific guidelines set by the Bank. These guidelines are contained in the publications "Guidelines for Procurement under Asian Development Bank Loans" and "Uses of Consultants by Asian Development Bank and its Borrowers".

Further information may be obtained by writing to the Chief Information Officer, Asian Development Bank, P.O. Box 789, Manila, Philippines.

African Development Bank (ADB)

The African Development Bank was organized in 1964 to promote the investment of public and private capital in Africa. The Bank may grant direct or indirect credits; it may operate alone, or in concert with other financial institutions or sources, and it can help to formulate projects and loan applications, whether for submission to the Bank itself, or to other lending agencies.

ADB is empowered to deal with governments, African semi-government institutions, and private organizations. Membership in the Bank is open to all independent African countries.

The authorized share capital is 800 million Unit of Account (one unit of account is approximately equal to US$1.206) of which 50% is to be paid in. Payments by the member countries are to be made in six investments over a period of 4.5 years.

ADB is particularly interested in multinational and multiregional projects and has taken initiative in reviewing surveys and feasibility studies of infrastructure projects which potentially would benefit several member countries.

Further information regarding the ADB can be obtained from the Information Office, African Development Bank, B.P. 1387, Abidjan, Ivory Coast.

Partial Listing of Countries With Limited United States Commercial/Economic Missions

EDITOR'S NOTE: Inclusion on this list represents conditions as they existed at the time the Handbook was prepared. Readers should consult with either the Department of State or the Department of Commerce before foregoing business opportunities in these countries. In those instances where adequate information existed, an entry for the listed country was prepared.

ANGOLA
The Consulate General in Luanda was temporarily closed, November 3, 1975.

REPUBLIC OF THE CONGO (BRAZZAVILLE)
All personnel were withdrawn from the Embassy at Brazzaville on August 13, 1965. The Embassy will remain closed until further notice. The Federal Republic of Germany serves as protective power for the United States in the Republic of the Congo.

CUBA
The Government of Switzerland assumed protection of U.S. interests in Cuba following the severance of diplomatic and consular relations between the United States and Cuba on January 3, 1961.

EQUATORIAL GUINEA
The Embassy at Malabo was closed on March 14, 1976. The Embassy will remain closed until further notice. The Spanish State serves as protective power for the United States in the Republic of Equatorial Guinea.

KHMER REPUBLIC (CAMBODIA)
The Embassy at Phnom Penh was closed on April 12, 1975.

LAOS
The United States maintains a diplomatic mission at its Embassy in Vientiane. However, economic trade between the United States and Laos is at such a low level that a Handbook entry did not appear to be needed.

LEBANON
The Commercial/Economic Office of the Embassy in Beirut has been temporarily closed and its personnel withdrawn. Inquiries about business opportunities and related matters should be addressed to the Commerce Action Group for the Near East, U.S. Department of Commerce, Washington, D.C. 20230.

IRAQ
The Embassy in Baghdad was closed on June 7, 1967. The Government of Belgium serves as protective power for the United States in Iraq. The Belgian Embassy in Baghdad includes an American Interests Section staffed by American personnel.

UGANDA
The Embassy at Kampala was closed on November 10, 1973 and all American diplomatic personnel were withdrawn. The Embassy will remain closed until further notice. The Federal Republic of Germany serves as protective power for the United States in Uganda.

VIET-NAM
The Embassy at Saigon was closed on April 30, 1975.

YEMEN PEOPLE'S REPUBLIC (ADEN)
All personnel were withdrawn from the Embassy in Aden on October 26, 1969. The Embassy will remain closed until further notice. The Government of Great Britain serves as protective power for the United States in the Yemen People's Republic.

Twelve Basic Questions

Use this pullout sheet when referring to basic questions and answers by countries.

The latest available information has been supplied, although it has not been possible to obtain complete data for all countries.

Questionnaire

1. Are indigenous practicing engineers required by law to have a license? If so, how many are licensed? Are foreign engineers required by law to be licensed to practice in the country? If so, what governmental agency is responsible for licensing and what are the legal requirements?

2. Is there a professional and/or consulting engineering society within the country? If so, list names, addresses, and the number of members.

3. For a U.S. consulting engineering firm to practice in the country, is it required that it have a local representative? If so, must the local representative be a citizen of the country? Can the representative be a U.S. citizen? What are the requirements, if any, for establishing local representation?

4. To what extent must local participation be involved in any contract (private local Government, or international funding) with a U.S. consulting engineering firm? What is the extent of local employee participation.

5. Is it the practice to require consortium or "turnkey" bids in which the engineering services are included with construction, materials and equipment bids? Are contracts with consulting engineers negotiated or does price-bidding take place? If the latter occurs, is it possible to adopt negotiated contracts preceded by prequalification? Do contracts routinely provide for the settlement of disputes by international arbitration? Are special prebid financial requirements such as bank guarantees, bid bonds, or similar devices imposed routinely which would affect the costs of preproject proposals?

6. Is there any discrimination practiced against U.S. consulting engineering firms?

Questionnaire

7. Are there any restrictions concerning the convertibility of currency or the repatriation of fees?

8. Are U.S. consulting engineering firms required to pay local corporate or other taxes? If so, what is the corporate tax rate? Are domestic engineering firms required to pay the same taxes? Can the U.S. consultant organize as an overseas branch of his U.S. firm and pay taxes as required? If so, would he realize an economic advantage?

9. Are U.S. consultants' expatriate employees subject to local income or other taxes? If so, what are the taxes and their rates? Are customs duties levied on items imported which are not intended for resale such as equipment and materials to be used on the project and the personal possessions of the consultants' employees?

10. List government agencies (with a description of their general responsibilities) that employ consulting engineering firms for public works or other types of engineering.

11. What are the official and commercial languages? What system of weights and measures is used?

12. What is the relationship (expressed as a percentage) of social costs paid by the employer (social security taxes, unemployment and death benefits, vacation and holiday pay, year-end bonsuses, retirement fund and severance pay) to take-home pay (wages and salaries)?

Answers
By
Country

A—B Part I

C—D—E Part II

F—G—H Part III

I—J Part IV

K—L—M Part V

N—O Part VI

P—Q—R Part VII

S Part VIII

T—U—V Part IX

Y—Z Part X

AFGHANISTAN
EMBASSY: Kabul
Wazir Abkar Khan Mina
Tel. 654-3832

ALGERIA
EMBASSY: Algiers
4 Chemin Cheikh Bachir
Brahimi (ex Beaurepaire)
Tel. 60-14-25/29, 60-36-70/72

CONSULATE: Oran
25 rue Mizouni Bouanane
Tel. 33-62-22, 33-26-66

ANGOLA
CONSULATE GENERAL:
Luanda
(Temporarily closed)
Avenida Paulo Dias de
Novais, No. 42,
13th & 14th Fls.
Tel. 72494, 73155

ARAB REPUBLIC OF EGYPT
EMBASSY: Cairo
5 Sharia Latin America
Box 10, FPO NY 09527
Tel. 28219

CONSULATE GENERAL:
Alexandria
110 Ave. Horreya.
Tel. 25306, 25607, 28458

CONSULATE: Port Said
Apt. 4, 8 Sharia Aby El
Feda Matarch El Baher
Tel. 8000, 8586, 8622

ARGENTINA
EMBASSY: Buenos Aires
Sarmiento 663
Tel. 46-32-11

AUSTRALIA
EMBASSY: Canberra
Moonah P., Yarralumla,
A.C.T., APO San Fran 96404
Tel. 73-1351

Australia (cont'd)
CONSULATE GENERAL:
Melbourne,
24 Albert Rd., Melbourne,
Victoria, APO San Fran 96405
Tel. 699-2244

CONSULATE GENERAL:
Sydney
37-49 Pitt St.,
APO San Fran 96209
Tel. 241-1031

CONSULATE: Brisbane,
141 Queen St., Brisbane 4000
Tel. 31-2649

CONSULATE: Perth
264 St. George's Ter.
Tel. 22-4466

AUSTRIA
EMBASSY: Vienna
IX Boltzmanngasse 16 A-1091
Tel. 346611, 347511

CONSULATE: Salzbury
1 Franz Josefs Kai, Room 302
Tel. 46461

BAHAMAS
EMBASSY: Nassau
Adderly Bldg., Queen St.
Tel. 322-1181

BAHRAIN
EMBASSY: Manama
P.O. Box 431, FPO NY 09526
Tel. 714151

BANGLADESH
EMBASSY: Dacca
Adamjee Court Bldg.,
Montijheel Area
Tel. 244220 through 244229

BARBADOS
EMBASSY: Bridgetown
P.O. Box 302, FPO NY 09553
Tel. 63574-7

BELGIUM
EMBASSY: Brussels
27 Boulevard du Regent
APO NY 09667
Tel. 513-3830
Telex. 846-21336

CONSULATE GENERAL:
Antwerp
64-68 Frankrijklei
APO NY 09667
Tel. 32-18-08

BENIN
EMBASSY: Cotonou
Rue Caporal Anani Bernard
Boite Postale 2012
Tel. 31-26-92/3

BERMUDA
CONSULATE GENERAL:
Hamilton
Vallis Bldg., Front St.,
FPO NY 09560
Tel. 5-1342

BOLIVA
EMBASSY: La Paz
Banco Popular del Peru Bldg.,
Corner of Calles Mercado y
Colon, APO NY 09867
Tel. 50251

BOTSWANA
EMBASSY: Gaborone
Koh-i-Nor House,
P.O. Box 90
Tel. 2944, 2945

BRAZIL
EMBASSY: Brasilia
Lote No. 3, Avenida das
Nocoes, APO NY 09676
Tel. 230120

Brazil (cont'd)
CONSULATE GENERAL:
Rio de Janeiro
Avenida Presidente Wilson,
147, APO NY 09676
Tel. 252-8055/7

CONSULATE GENERAL:
Sao Paulo
Edificio Conjunto Nacional,
Rua Padre Joao Manuel 20;
SP, APO NY 09676
Tel. 281-3155 thru 3167

CONSULATE: Belem
Avenida Oswaldo Cruz, 165
Tel. 230800

CONSULATE: Porto Alegre
Rua Uruquai 155 (11th fl.),
APO NY 09676
Tel. 24-0054, 24-0509

CONSULATE: Recife
Rua Goncalves Maia 163
Tel. 21-14-12/3, 22-66-12

CONSULATE: Salvador
Edificio Fundacao Politecnia
Bloco. A, 4th fl.,
Avenida Sete de Setembro 73/79
Tel. 3-4908, 3-4911

BURMA
EMBASSY: Rangoon
581 Merchant St.
Tel. 18055

BURUNDI
EMBASSY: Bujumbura
Chaussee Prince Louis
Rwagasore,
Boite Postale 1720
Tel. 34-54

Afghanistan

1. Neither Afghan nor foreign engineers are required to have a license.

2. There are no professional and/or consulting engineer societies within Afghanistan.

3. There is no legal requirement for a local representative to represent a consulting engineering firm, nor any stipulations concerning the nationality of a representative. However, all local representatives must be registered and have a license issued by the Ministry of Commerce.

4. Neither local participation in a contract nor the employment of local labor is a legal requirement.

5. There is no established practice for contracting, although the Government of Afghanistan prefers "turnkey" bids which provide all services. Price bidding usually takes place followed by contract negotiation. It is possible to adopt negotiated contracts preceded by prequalification. Contracts routinely include terms for the settlement of disputes through international arbitration. No prebid financial deposits are required.

6. There is no discrimination against U.S. consulting engineers.

7. No. There is an open money market in Afghanistan and converting of currency or repatriation of fees is not restricted.

8. Virtually all services rendered by U.S. engineering firms in Afghanistan in recent times have been through projects financed by bilateral assistance. Bilateral aggreements governing those projects have provided both corporate and individual tax exemption. Resident alien individuals not covered by bilateral assistance agreements are subject to income tax on income from sources within Afghanistan. Foreign companies engaged in a trade or business in Afghanistan are subject to an income tax of 20% on all taxable income from sources within the country. Local engineering firms are required to pay the same taxes on private contracts as foreign firms.

9. Bilateral agreements customarily exclude expatriate employees from payment of local taxes and provide for the duty-free entry of goods necessary for the completion of the project, and the personal possessions of the firm's employees.

10. Water and Power Authority-irrigation & electric power.
Ministry of Public Works-highways & transportation.
Ministry of Mines and Industries-industry & mining.

11. Dari, a local variation of the Persian spoken in Iran, is the most important official language in Afghanistan. Pashto is also officially recognized, but is less important in the technical field. English is the most-used international language, and many of the local engineers have been educated in the United States and use it with ease. The metric system of weights and measures is most used in technical fields.

12. Labor practices in Afghanistan are not fixed. A maximum of about 33% above take home pay is paid by the employer for all social costs.

Algeria

1. Engineers are not required to have a license to practice. If a foreign engineer intends to practice here for a period of 3 months or more, he should apply for a permit (carte de commercant) in the area where he wishes to establish an office. The application is forwarded to the COMEX (Institute Algerian du Commerce Exterieur), 42 Rue Larbi Ben M'Hidi, Algiers, for approval.

2. Union des Ingenieurs Algeriens (Union of Algerian Engineers), 15 Rue Mannani, Algiers, contact Mr. Smida.

3. Since Algerians consider agents as unnecessary middle men who should not be dealt with, successful American businessmen deal directly with the Algerian Government agencies involved, or establish local offices. Foreign companies may open temporary offices in Algeria to perform contracts with Algerian agencies. To establish an office, the consultant must register with the COMEX, the Securite Sociale (Algerian Social Security System), and the Tax Office.

4. There is no requirement for local participation, although Algerian state enterprises sometimes wish to enter into a joint-venture with foreign engineering firms in Algeria. These joint-ventures are at least 51% Algerian-owned.

5. Consortium or "turnkey" bids are neither required nor prohibited. Algerian contracting agencies generally prefer to first negotiate directly with foreign principals who possess the technology then with an affiliated consulting engineering firm. Price bidding is a normal practice in Algeria, followed by intensive negotiations with the preferred bidders. Most Algerian contracts provide for international arbitration while some require arbitration under Algerian law. A performance bond of 5 to 10% of the contract is generally required. Algerian agencies generally withold 10% of each progress payment pending satisfactory completion of the project.

6. There is no discrimination practiced against U.S. consulting engineers.

7. Algerian dinars are not convertible internationally and may not exported. Contracts signed with foreign firms provide for mixed payment in both dinars and in foreign currency, with the ratio to be negotiated. A foreign engineer working under contract for Algerian Government agencies may transfer 30% of his earnings if his family lives with him in Algeria, 50% if they do not. Comparable percentages for foreigners under private contract are 25 and 45%, respectively.

8. U.S. consultants are required to pay the same taxes domestic firms pay. Taxes are levied according to the nature of services provided. Firms providing engineering services associated with construction must pay the Contractual Tax (8% of contract value); the Payroll Tax (6% of net salaries); and, the Turnover Tax (10%). Firms providing services principally intellectual in nature must pay the Withholding Tax on Noncommercial Income (24% of 80% of gross compensation paid by the contract); and, the Turnover Tax on Services (about 6% of gross compensation).

9. Foreign employees of foreign firms operating in Algeria must pay the Tax on Wages and Salaries (ITS), which is based on gross proceeds less specific deductions. Customs duties are levied on goods used on projects. Personal and household effects of expatriate workers in Algeria are admitted duty free, including one car per family.

10. A complete list of Algerian ministries and state enterprises is available from the Commerce Action Group for the Near East, U.S. Department of Commerce, Washington, D. C. 20230.

11. Arabic is the official language, but French is the most important working language for foreigners in Algeria. English is not understood or spoken. The metric system of weights and measures is used.

12. Family and social security benefits paid by employers amount to 24.25% of salary (calculated against an arbitrary maximum of about US$500 monthly per employee). Workmen's medical assistance represent about the same US$500 monthly maximum base. Paid vacations and workmen's medical assistance represent about 11 percent of actual gross salary.

Angola

EDITOR'S NOTE: The diplomatic post in Angola was temporarily closed November 3, 1975. The United States Government has not been represented in Angola since that date. The following information is the latest available:

1. Engineers are required by law to be registered with the local Government. To qualify for registration, engineers must have been graduated from a recognized university. Foreign engineers may practice in Angola under special exceptions made by law, such as: (1) scientific or technical industrial investigations; (2) teaching; (3) providing services to foreign firms or corporations carrying on temporary activity in Angola; (4) installing and servicing machinery sent by suppliers; and, (5) proven lack of professional engineers. No further information is available on licensing requirements.

2. Order of Angolan Engineers is a professional society in Angola. No further information is available.

3. It is not known whether an U.S. consulting engineering firm must have a local representative to conduct business in Angola. No information is available on registration requirements.

4. For each foreign engineer permitted to practice in Angola under the last three categories listed at 1. above, a local engineer must also be contracted for, and maintained as an assistant to collaborate on the work.

5. It is the practice to request consortium or "turnkey" bids, although actual construction and provision of materials and equipment may be subcontracted with local firms. Public contracts are bid, but private contracts may be negotiated. Under certain conditions, contracts with consulting engineers may be negotiated by special agreement, although such contracts are rare. Contract terms routinely provide for the settlement of disputes by international arbitration. Special prebid financial requirements are not routinely imposed.

6. Information on possible discriminatory practices pertaining to U.S. consulting firms is not available.

7. Current information on currency convertibility and repatriation of fees is not available. Angola has exchange restrictions and a foreign firm could experience considerable delay in repatriating fees.

8. U.S. consultant firms are required to pay local income and head taxes—The Professional (Income) Tax, which has been raised to a minimum of 9,000 escudos per year, and the Head Tax, which is 350 escudos minimum per year. Local engineers pay these taxes at the same rate. It is not known whether a U.S. consultant can organize as an overseas branch of his U.S. firm and pay taxes accordingly, and further, whether an economic advantage would accrue as a result.

9. U. S. consultants' expatriate employees would be liable for the local taxes discussed at 8. above. No information is available with respect to the levying of customs duties.

10. Department of Public Works.
Settlement Board.
Electrification Board.
Highway Board.
Public Housing Fund.
Geology and Mines Service.
Ports, Railroads and Transport Services.
Commission for Public Housing.

11 Portuguese, French, and English are the languages of commerce. The metric system of weights and measures is used.

12. No information is available on social costs borne by the employer.

41

Arab Republic of Egypt

1. Egyptian engineers are required by law to have a license to practice. There are an estimated 23,000 licensed engineers in Egypt. U.S. engineers are required by law to have a local license only if they are operating under a private contract. A license is not required for projects sponsored by the Egyptian Government, or IBRD, UNDP, and USAID. License applicants must present to the Engineers' Syndicate, the licensing authority, a diploma or degree from an accredited engineering institution, notarized as to authenticity by the county, state, and Federal governments in the U.S. and the Consul of the Egyptian Embassy or Consulate.

2. Professional engineering societies in Egypt include the Engineers' Syndicate, 30 Ramses St., Cairo, with 23,000 members and the Egyptian Engineers Association, 28 Ramses St., Cairo. The latter Association has smaller groups within it arranged by discipline.

3. A local representative is required unless otherwise stated in the international tender. The representative should be a citizen of Egypt unless the international tender permits other types of representation. To establish local representation, the firm must present a notarized statement of appointment clearly delimiting the authority granted the local representative, the duties he is expected to perform and the fees. These requirements are only necessary if the firm is negotiating for a private sector contract.

4. Local participation in contracts is normally required. In many contracts, however, the percentage has been slight. Local employee participation levels are not specified by law.

5. It is becoming increasingly common to require "turnkey" or consortium-type bids, even in instances where USAID or IBRD financing is provided for equipment. Contracts with consulting engineers are normally negotiated, but price-bidding has occurred. International arbitration of disputes is a negotiable contract item. On consulting contracts, prebid financial requirements are not routinely imposed.

6. No discrimination reported.

42

7. Both the convertibility of currency and the repatriation of fees are items closely controlled by law and at present there is no clear guarantee as to the exchange rate prevailing between the Egyptian pound (LE) and the U.S. dollar. However, contracts can be written to specify payment in dollars.

8. Local tax exemption is granted if the U.S. consultant is performing under Government or internationally financed tenders. Otherwise, he is liable for local taxes. The corporate tax rate of 37 to 39 percent is only assessed on firms engaging in trading or procurement activity. If the firm limits activity to consulting services, no corporate tax would be levied. Domestic firms pay the same taxes. However, they often act as procurement agents as well as consultants, and would pay corporate tax on that portion of their activity. The U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly. Whether an economic advantage would accrue as a result would have to be assessed on an individual basis.

9. Expatriate employees are not subject to local income taxes while performing under Government sanctioned projects, otherwise they would be liable for all local taxes. Individual income tax rates are calculated on a complex schedule that includes an 11 to 22 percent levy on professional incomes and a 9 to 95 percent tax on net income above LE 1,000 per annum. Customs duties would be levied on importation of equipment, materials, and personal possessions for consultants on private contracts, but not for those working on officially sanctioned projects as explained above.

10. Ministry of Housing and Reconstruction.
Ministry of Industry and Mining.
Egyptian Electricity Authority.
General Organization for Egyptian Railways.

11. Arabic is the official language, but English and French are widely used in commerce. The metric system of weights and measures is used.

12. Salary bonuses, social security payments, and other social costs normally borne by the employer amount to about 46 percent of salaries paid.

Argentina

1. Engineers must be registered with the engineering school of an acceptable university and with municipal authorities. Foreign engineers are required to register in order to work in Argentina, except when service contracts specifically exempt them from doing so. The professional council for each branch of engineering is the licensing authority. These are not governmental agencies. In order to be eligible, a foreign engineer must revalidate his diploma. This involves presentation of a duly notarized certification from the university which issued the diploma, through competent authority, and the successful completion of a series of examinations given in Spanish.

2. The "Centro Argentino de Ingenieros", Cerrito 1250, Buenos Aires, is the Association of Professional Engineers. The "Camara Argentina de Consultores" groups together consulting engineering firms. Their address is Sarmiento 848, Buenos Aires.

3. It is not required for a U.S. engineer to have a local representative, but it is convenient. A local representative, if he is duly registered, will eliminate the need to revalidate diplomas. He can be a U.S. citizen provided he has a locally valid diploma and registration. Requirements to establish local representation are those specified in the Commercial Code.

4. By law, foreign equity participation is limited to 25%. This limitation is waived for "National Interest" projects, and for projects financed from external sources. There are no special requirements as to the number of local employees or percentage of total workforce.

5. It is the practice to request "turnkey" bids, but efforts are made to secure engineering services by separate contract whenever possible. Bidding does take place, but price is not the main decision factor. It is possible to adopt negotiated contracts after prequalification. Contracts usually specify local arbitration. Prebid financial requirements are imposed, but are specified on a contract-by-contract basis.

6. No discrimination is practiced, but Argentine firms receive preference in Government contracts.

7. There are no legal restrictions, but extensive delays may be experienced.

8. U.S. consultancy firms are liable for corporate taxes. Fees for advisory services from abroad are also subject to taxation. All profit generating activities are subject to tax on gross income. The corporate tax rate is 41%. Remittances are subject to 20.5% withholding tax. Taxes on gross income are about one percent. The new foreign investment law soon to be passed, may change applicable remittance rates. Domestic firms pay the same taxes. U.S. consultants can organize local branches of their U.S. firms, but it is doubtful that any economic advantage would accrue by merely organizing a local branch.

9. U.S. expatriates are subject to income taxes on their salaries. They are entitled to full tax credit in the U.S. for taxes paid in Argentina. Customs duties are levied unless the items are imported on a temporary basis and are reexported after project completion. Personal possessions are not subject to duties.

10. Secretariat's of Mining; Transport and Public Works; and, Agriculture and Livestock.
National Port Administration.
National Telecommunications Entity (ENTEL).
State Petroleum Entity (YPF).
State Coal Entity (YCF).
State Gas Service ("Gas del Estado").
Water and Energy Entity ("Agua y Energia").
Argentine Railroads.
Argentine Army's Industrial Complex ("Direccion de Fabricaciones Militares").

11. Spanish is both the official and commercial language in Argentina. The metric system of weights and measures is in use.

12. Social costs paid by employers average 50 to 55% in addition to take-home pay.

Australia

1. Australian engineers are not required to be licensed. In some states, engineers in certain civil engineering fields are required to be registered with the appropriate State Authorities. Foreign engineers whose qualifications are recognized by the Institution of Engineers Australia may practice without a license.

2. Institution of Engineers Australia, Science House, 157 Gloucester Street, Sydney, New South Wales 2000, has a membership of about 26,000 and represents all disciplines of the profession in Australia. There are a number of associations representing specific disciplines.

3. A U.S. consulting engineering firm is not required to have a local representative.

4. There are no requirements for either local equity or local employee participation in contracts with U.S. consulting engineers.

5. It is not the usual practice to require "turnkey" bids unless the project is for a large electrical installation or a civil engineering work. Contracts are usually negotiated. The Association of Consulting Engineers of Australia promulgates a scale of minimum fees. The majority of consulting engineers in Australia are members of the ACEA and abide by these fees. Disputes are usually resolved by arbitration under terms set down by the Institution of Engineers Australia or in accordance with State laws. No special prebid financial requirements are routinely imposed.

6. There is no known discrimination practiced against U.S. consulting engineers. At present, the consulting engineering profession in Australia is experiencing doldrums and as a consequence it is extremely difficult for foreign engineers to obtain resident visas.

7. Repatriation of fees to the United States is normally not restricted. Persons may enter Australia with any amount of currency; however, on leaving, if the amount of Australian currency is larger than the quantity brought in, a certificate to export must be obtained from the Reserve Bank.

8. U.S. consultants resident in Australia are required to pay income and other taxes at the same rate as domestic firms pay. A nonresident individual or company is required to pay tax on income derived from sources within Australia. Under the terms of the double taxation agreement between the U.S. and Australian Governments, such tax paid may be deducted from the amount of any U.S. tax payable on this income. As of August 1, 1976, the corporate tax rate was 42.5%.

9. U.S. consultants' expatriate employees are subject to local income taxes which are levied at progressively increasing rates, dependent upon income. The minimum tax is 35% on a taxable income of U.S. $10,000 or less and the maximum rate of 50% is levied on income of, or in excess of U.S. $50,000. There are two tax brackets between the maximum and the minimum. Personal and professional effects may usually enter Australia duty free if they are the personal property of the traveler and are not intended for commercial purposes.

10. Commonwealth Department of Construction.
State Department of Public Works.
State Departments of Main Roads.
State Electricity Commissions.
State Departments of Harbors and Marine.

11. English is both the official and commercial language. The metric system of weights and measures is used.

12. Australia's Social Service Act provides old-age pensions, but no separate tax is assessed for this purpose. The law requires a minimum of 3 weeks paid annual leave for employees after 12 months service. Bonuses, retirement, long service leave, and severance pay are matters of individual policy.

Austria

1. Austrian practicing engineers are required to be licensed. There are about 3,500 self-employed licensed professional engineers. Austrian citizenship is a licensing prerequisite, hence foreign engineers may not be licensed. License applications are filed with the Provincial Engineering Chamber, and granted by the Ministry of Construction and Technology.

2. Membership in a provincial chamber of the Federal Engineers Chamber, Karlsgasse 9, A-1010 Vienna, is mandatory. The Oesterreichische Ingenieur-und Architekten-Verein is a voluntary society of about 3,000 members.

3. U.S. consulting engineers sometimes render engineering services in Austria on a temporary basis without a local representative, however, the law requires that these services be provided only by Austrian professional engineers of technical offices. To establish a permanent office, it is necessary to have a manager who is licensed to operate a technical office in Austria. The manager must reside in Austria, but need not have Austrian citizenship. Applicants for licensing as a manager of a technical office must present evidence of qualification including a diploma from an engineering college plus 5 years experience, or evidence of 5 years engineering study at a university plus 2 years qualifying experience. License applications are filed with the provincial Chamber of Commerce and granted by the district committee.

4. Austria has no local participation rules.

5. Consortium-type bids are not required. Price bidding takes place for large projects of the public administration; other engineering contracts are negotiated. It is not normally possible to adopt negotiated contracts preceded by prequalification. Contracts neither routinely provide for the international arbitration of disputes nor impose special prebid financial commitments.

6. There is no discrimination against U.S. consulting engineers.

7. Fees are normally subject to the same exchange restrictions that apply to Austrian residents, but the present exchange control policy allows virtually complete nonresident convertibility.

8. U.S. consultants domiciled or residing in Austria are subject to the same taxes as Austrian nationals. The corporate tax rate starts at 30% on profits up to 200,000 Austrian schillings and reaches a maximum of 55% on profits exceeding 1,142,000 Austrian schillings. A U.S. consultant may organize as an overseas branch of his U.S. firm by opening a technical office in Austria. He would probably realize an economic advanby doing so.

9. U.S. consultants' expatriate employees are liable for local Austrian taxes. The individual income tax rate is progressive, reaching a maximum of 62%. Nonresidents, not domiciled in Austria whose stay does not exceed a period of 6 months, get reduced tax rates which start at 23% of incomes up to 50,000 Austrian schillings and progress to 62%, less a tax credit of 127,200 Austrian schillings, plus an additional tax of 4,400 Austrian schillings on incomes of 1,500,100 Austrian schillings and above. Imports of equipment and material destined for use on a given project are subject to customs duties even though a resale is not intended. Personal possessions may be imported duty free.

10. Federal Ministry of Construction and Technology.
Federal Ministry of Transportation.
The Vienna Municipality.
The Austrian Federal Power Company.
Austrian Oil Administration.
Nationalized Industry Holding Company.
VOeEST-Alpine Montan A.G. (Nationalized Iron & Steel Corporation).
Chemie Linz A.G. (Nationalized Chemical Company).

11. The official and commercial language is German. The metric system of weights and measures is used.

12. On the average, social costs to the employer amount to about 80% of gross pay.

The Bahamas

1. Presently, engineers practicing in The Bahamas are not required to be licensed or registered, but legislation is still under consideration which would require both. There are 62 professional engineers working in The Bahamas, most work directly for The Bahamas Government (GCOB). Foreign engineers are not required to be registered or licensed, but they must have a work permit. Work permits are issued by the Bahamas Immigration Department, P.O. Box N-831, Nassau, The Bahamas, and are only granted when there are no qualified Bahamians to perform the work.

2. The Bahamas Institute of Professional Engineers, P.O. Box N-7838, Nassau, The Bahamas, with a membership of 98.

3. A U.S. consultant wishing to practice in The Bahamas is not legally required to have a local representative. A U.S. resident may serve as a local representative provided he has a work permit. If a foreign consultant wishes to establish local representation in the form of a company, then he must comply with the several instructions issued by The Bahamas Registrar General's office.

4. A principal goal of the Bahamian Government is Bahamianization. Local participation in contracts with U.S. consultants is not defined by law, but such participation to the maximum extent possible is highly recommended.

5. It is not the practice of the Bahamian Government to request "turnkey" bids. Contracts with engineers are negotiated, based on fees established by the various institutes and associations. General engineering contracts usually stipulate out-of-court arbitration by the Institute's president and failing settlement, referral to the Supreme Court in The Bahamas. Government contracts can only be arbitrated by the Supreme Court. Special prebid financial requirements are not usually imposed.

6. There is no discrimination practiced against U.S. consultants. However, only a limited number of non-Bahamian firms are invited to quote on any one given contract.

The Bahamas

7. There are no restrictions on the convertibility of currency or the repatriation of fees, but authorization from Exchange Control, c/o Ministry of Finance, P.O. Box N-3017, Nassau, The Bahamas, is required.

8. There are no corporate or capital gains taxes in the Bahamas. If a U.S. consultant organizes as an overseas branch of his U.S. firm there is a U.S. $1000 company registration fee. If a company is 60% Bahamian owned, the fee is U.S. $250. It may be an advantage for the consultant to organize as an overseas branch of his U.S. firm from the U.S. tax concessions he may receive.

9. There are no income taxes in The Bahamas. Expatriate employees are only required to pay National Insurance and work permit fees. If equipment is to be imported temporarily for use on a project, it may be placed under The Bahamas Government bond system whereby 2.5% customs duty would be payable on the equipment for every 90 days it is held in bond. A customs duty of 32.5% is levied on equipment and materials imported permanently. This duty is waived if the equipment is licensed under either the Industrial Encouragement Act, the Hotel Encouragement Act, or the Agricultural Act. Customs duties are payable on personal possessions entering The Bahamas.

10. Ministry of Works & Utilities—public works.
Ministry of Development – planning & land use.
Ministry of Transport – maritime affairs and highways.
Bahamas Electricity Corporation – supply of electricity.
Bahamas Telecommunications Corporation.
The Water and Sewerage Corporation (newly formed).

11. English is both the official and commercial language of The Bahamas. The British Imperial System of weights and measures is in use, but conversion to the Metric System is being timed to coincide with its introduction into the United States.

12. The only deduction from take-home pay for employees is National Insurance premiums which amount to about U.S. $10 per week for persons with engineer status.

Bahrain

1. At present, neither Bahraini nor foreign engineers are required by law to be licensed, but there is such legislation pending with the Cabinet of the Government of Bahrain. The pending legislation, if approved, will create a Government board which will be the licensing authority.

2. Bahrain Society of Engineers, P.O. Box 835, Manama, Bahrain; Dr. Abdullatiff Kanoo, President; 250 members as of August 1976.

3. Generally, a U.S. consultant is required to have a local representative to practice in Bahrain, but not in all cases. For example, the Government may contract directly with the consultants. If a local representative is officially appointed and duly registered with the Department of Commerce, Government of Bahrain, then he must be a Bahraini citizen. Registration consists of one official form which must be filed with the local Department of Commerce, along with a modest fee (about U.S. $60).

4. There are no Bahraini regulations governing the level of local participation in contracts with U.S. consultants.

5. Consortium-type bidding is not usually required, but there have been instances of this type bidding on "turnkey" projects. Consulting engineers are either "directly hired" by the Government, i. e. private negotiations take place or, in some cases, public tenders are issued in which case proposals are called for and assessed by a public committee. Contract disputes are usually first referred to local courts; after that, to the International Chamber of Commerce for arbitration. No special pre-bid financial commitments are required from consultants.

6. There is no discrimination against U.S. consultants.

7. There are no restrictions concerning the convertibility of currency or repatriation of fees.

8. U.S. consultant firms are not required to pay local corporate or other taxes. There is no corporate tax in Bahrain. A U.S. consultant may organize as an overseas branch of his U.S. firm. By doing so he would probably not realize an economic advantage locally.

9. There is no local income tax in Bahrain. Customs duties are levied on items imported not intended for resale at rates of either 5 or 10%, with the latter rate being levied on luxuries.

10. Ministry of Works, Power and Water, P.O. Box 5, Manama, Bahrain.

Ministry of Housing, P.O. Box 802, Manama, Bahrain.

Ministry of Development and Industries, P.O. Box 235, Manama, Bahrain.

11. The official language is Arabic. The commercial languages are Arabic and English. The metric system of weights and measures is used.

12. There are no mandatory social costs borne by an employer in Bahrain.

Bangladesh

1. Bangladesh engineers are not required to have a license to practice. Foreign engineers are not required to be licensed to practice in Bangladesh although proof of competence is usually a prerequisite for bidding on a contract.

2. Bangladesh Association of Consulting Engineers, 825 Road No. 19, Dhanmondi Residential Area, Dacca, with a membership of 25.

3. U.S. consultants working on Government and quasi-Government contracts may or may not be required to have local representation, depending on the terms of the contract. Firms working under private contracts are required to have a local representative or office in order to practice in the country. The local representative does not have to be a citizen of Bangladesh. In order to establish local representation or an office in the country, the consultant must obtain permission from the Director General of Industries, Government of Bangladesh, for doing business in the country and must register itself with the Registrar of Joint Stock Companies, Government of Bangladesh, as a Bangladesh branch, subsidiary, associate or affiliate, as the case may be, of the U.S. firms.

4. Local participation in contracts awarded to U.S. consultants is not mandatory; the extent of local participation, when required, depends on the terms of the contract. Local employee participation is also not mandatory.

5. Ocasionally, "turnkey" bids are required in industrial projects. Contracts are made both on the basis of negotiation and price bidding. Contracts to be awarded on the basis of price bidding, limited only to prequalified firms, may also be negotiated if bidding is not satisfactory. Disputes are settled under Bangladesh arbitration laws. Only construction contractors are required to meet prebid financial requirements such as bid bonds.

6. There is no discrimination practiced against U.S. consulting engineering firms.

7. There are restrictions on the convertibility of currency or repatriation of fees, but U.S. consultants working on Government and quasi-Government contracts are exempt from these restrictions in accordance with the terms of contracts.

8. U.S. consultants must pay the same taxes domestic engineers pay. An exception occurs when a U.S. consultant is working under Government and quasi-Government contracts. In these instances, the taxes are usually paid by the employing agencies according to contract terms. Corporate taxes vary from 15 to 30% of income. The establishment of an overseas branch and paying taxes accordingly, will not, in itself, offer an economic advantage, but may result in business opportunities.

9. Unless excluded by the terms of a contract with a Government or quasi-Government agency, U.S. consultants, expatriate employees are liable for local taxes. Personal income tax is progressively graduated with higher rates being levied against higher income groups. No customs duties are levied on items imported for use on projects that are not intended for resale. There are no customs duties on expatriate employees' personal possessions.

10. Ministry of Agriculture.
Ministry of Ports, Shipping & Inland Water Transport.
Ministry of Flood Control, Water Resources & Power.
Ministry of Forest, Fisheries & Livestock.
Ministry of Aviation & Tourism.
Ministry of Posts, Telephones & Telegraphs.
Ministry of Public Works & Urban Development.
Ministry of Education, Scientific & Technological Research and Atomic Energy.

11. The official and commercial languages are English and Bengali. Both the British Imperial and metric systems are in use with the former more prevalent.

12. In the case of consultants working on Government and quasi-Government contracts, social costs are paid by employer agencies. There are, reportedly, no U.S. consultants working under private contract, therefore no information on their social costs is available.

Barbados

1. Barbadian and foreign engineers are required by law to be registered before they may practice their profession in Barbados. There are 52 engineers registered in Barbados. The Engineers Registration Board is the licensing authority. Applicants for registration must possess a degree in engineering from the University of the West Indies, or possess a degree from a university or school of engineering which meets the approval of the Board; and, must demonstrate that he has had not less than 4 years experience of a kind approved by the Board.

2. The Barbados Association of Professional Engineers, P.O. Box 666c, Bridgetown, Barbados, with a membership of about 100.

3. A U.S. consulting engineer is not required to engage the services of a local representative in order to practice in Barbados.

4. There are no regulations which express either level of local equity or levels of local employee participation in contracts with U.S. consultants.

5. It is not the general practice to request consortium or "turnkey" bids. The ASCE conditions of engagement are adhered to when contracts are written for engineering consultancy services. Contract terms do not routinely provide for the settlement of disputes by international arbitration. Special prebid financial requirements are not routinely imposed.

6. There is no discrimination against U.S. consulting engineers.

7. There are exchange control restrictions governing the convertibility of currency and repatriation of fees. The Central Bank of Barbados should be consulted for additional information.

8. U.S. consultant firms are not required to pay local corporate or other local taxes. The U.S. consultant may organize as an overseas branch of his U.S. firm. Whether an economic advantage would accrue as a result would have to be evaluated on an individual basis.

9. U.S. consultants' expatriate employees are liable for local income and other taxes. Customs duties are not levied on items imported which are not intended for resale such as equipment and materials to be used on the project and the personal possessions of the consultants' employees.

10. All agencies of the Barbadian Government engage the services of consulting engineers as the occasion warrants.

11. English is both the official and commercial language. Both the British Imperial System and the International System (Metric) of weights and measures are used in Barbados.

12. No information is available on the social costs borne by the employer in Barbados.

Belgium

1. Belgian engineers are required to have a license to practice as a professional engineer and to use the title "engineer". There are between 12,000 and 15,000 licensed engineers in Belgium. Foreign engineers are not required by law to be licensed to practice in Belgium. The Ministry of Education's approval must be obtained to use the title "engineer". To obtain this approval, a foreign engineer operating in Belgium should possess a university diploma equivalent to that issued by a Belgian university.

2. "Federation Royale des Associations Belges des Ingenieurs (FABI)", Square Marie-Louise 28, 1040 Brussels, Belgium with a membership of about 6,000; "Koninklijke Vlaamse Ingenieurs Vereniging (KVIV)," Jan Van Rijswijcklaan 57, 2000 Antwerp, Belgium with a membership of about 6,000; and, "Chambre des Ingenieurs Conseils de Belgique," Hotel Ravenstein, Rue Ravenstein 3, 1000 Brussels, Belgium with a membership of about 120 consulting engineers.

3. It is not required, but desirable for practical purposes, to have a local representative. The local representative need not be a citizen of Belgium and can be a resident U.S. citizen. If the local representative is in the form of a corporation or similar entity, it should be registered with the Tribunal of Commerce. Foreigners also need a professional card or work permit.

4. For private projects, a U.S. consultant need not join with local participation. For public works, however, some local participation would be normally involved. Local employee participation is not required, but desirable for practical purposes.

5. There is a growing practice to request consortium-type bids. Contracts with consultants are usually negotiated unless the contractor has been given the free choice of consultant in which case price bidding may occur. It is possible to adopt negotiated contracts preceded by prequalification. Contracts provide for international arbitration. No prebid financial commitments are required.

6. There is no discrimination.

58

7. There are no restrictions concerning the convertibility of currency or repatriation of fees.

8. U.S. consultant firms are required to pay local corporate taxes. The corporate tax rate is 48%. Domestic engineering firms are required to pay the same taxes. A U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes as required. The branch would have to be established under Belgian law. It is not known whether an economic advantage accrues with respect to taxation if the consultant establishes a branch office in Belgium.

9. U.S. consultants' expatriate employees are subject to local income taxes. If their stay in Belgium is less than 5 years in duration, only 70% of their salary is taxed. The income tax is progressive and ranges from rates of 27 to 50% depending on the amount of salary. Imported equipment and materials to be used on the project are subject to import duties and a value added tax. Personal possessions of the consultants' employees are not subject to these duties or taxes.

10. Consulting engineers are employed principally by the Ministry of Public Works and to a lesser extent by the Ministry of Public Health, the Port Authorities, the Administrations of the Provinces and larger cities.

11. The official and commercial languages are Dutch and French. English is widely understood in commerce and shipping circles. The metric system of weights and measures is used.

12. The fringe benefits and social costs paid by employers for white-collar workers amount to a minimum of 43% of their basic salaries and may even reach a high of 75%.

Bénin

1. Neither Béninese nor expatriate engineers are required to be licensed. Government approval must be obtained, however, to practice. Béninese nationals wishing to establish a private firm must obtain permission from the Ministry of Industry through the presentation of résumés. For expatriate engineers, a "permis de sejour" must first be obtained from the Minister of Interior. Further permission must then be obtained from the appropriate government agency: from the Ministry of Industry for those wishing to establish a private firm, or from the Ministry of Equipment, or the Ministry of Transport, for engineers on contract to the Government.

2. No engineer societies are presently functioning in Bénin, although some Government engineers are members of the Francophone West Africa professional engineering association.

3. No local representation is required in contracts with U.S. consulting engineers.

4. Local participation is usually not required in any kind of a contract. Local employee participation requirements are variable and dependent upon the existing situation. Generally, at least an equal ratio of Béninese to expatriate employees is required.

5. Engineering services are usually obtained by the Béninese Government through negotiated contracts. Government contract terms routinely provide for the settlement of disputes by international arbitration.

6. No discrimination against U.S. consulting engineers has been reported.

7. For firms working under Government contract, there are no restrictions concerning the convertibility of currency or the repatriation of fees. Firms registering under the Béninese Investment Code would also have no problems in this regard. Limitations for firms not qualifying under the investment code are decided by the Ministry of Industry on a case-by-case basis.

8. U.S. consultant firms under Government contract are usually not required to pay corporate taxes. This constitutes a negotiable contract item. For firms doing private business, the Béninese Investment Code offers a number of tax exemptions for those that qualify. Any engineering firm wishing to remain in Bénin to conduct business other than Government contracts would have to organize as an overseas branch of its parent firm, and incorporate in Bénin.

9. The tax liability status of expatriate employees of companies under Government contract is also a negotiable item of Government contracts, as is duty-free status for employees' belongings and company equipment. Firms engaged in private business could obtain some duty-free advantages under the investment code, but their expatriate employees would become liable for personal taxes. There are three types of individual taxes. Professional taxes are annual and levied on earnings from the exercise of an independent activity. The second type of tax is the tax on wages and salaries, and the third, is a general income tax which is levied at both flat and graduated rates.

10. Ministry of Equipment.
Ministry of Transport.
Ministry of Rural Development.
Ministry of Health.
Ministry of Industry.

11. The official language is French. The metric system of weights and measures is used.

12. The average percentage of take-home pay to social costs paid by the employer is 15%.

Bermuda

1. Neither Bermudian nor foreign engineers are required by law to be licensed to practice in Bermuda.

2. Bermuda Society of Professional Engineers, P.O. Box 34, Hamilton, Bermuda, with a membership of about 40.

3. A U.S. consulting engineering firm is not required to have a local representative as a prerequisite to practicing in Bermuda.

4. There are no requirements for local equity participation in contracts with U.S. consultants. Normally, contracts are let to foreign firms only when local firms are unable to undertake the project. Neither are there specific requirements for local employee participation in contracts, but work permits for foreigners are issued only if there are no qualified Bermudian workers available.

5. Bermudian contract awards are normally made to a single prime contractor who subcontracts to other firms. Contracts with consulting engineers are negotiated. When foreign firms are involved in contracts, the terms of the contract usually specify dispute settlement through international arbitration. The Government of Bermuda usually imposes a cash bond of from 5 to 10% on its contracts, depending on the value of the contract. Private contracts usually follow Government practice.

6. There is no discrimination practiced against U.S. consulting engineers.

Bermuda

7. There are no restrictions concerning the convertibility of currency or the repatriation of fees.

8. There are no specific corporate taxes levied in Bermuda. Foreign firms can expect to pay the same customs duties and stamp taxes as local businessmen. The U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly. However, Bermuda chartered firms owned by foreigners cannot do business in the Bermuda Islands.

9. There are no income or other direct taxes levied against the income of individuals in the Bermuda Islands. Customs duties are not levied on items clearly intended for reexport at the termination of the contract.

10. The Department of Public Works, Government of Bermuda is the prime contractor of engineering consultancy services.

11. The official and commercial language is English. The British Imperial System of weights and measures is currently in use, but the metric system is being phased in. There are no legal requirements to employ the metric system.

12. Social costs paid by employers (social security taxes, vacation pay, and health insurance) are nominal in comparison to wages and salaries.

Bolivia

1. Engineers are required to have a license. Applicants must have a Bolivian university degree or a foreign university degree validated by a Bolivian university, and must be registered with the National Council of Engineering. Foreign engineers cannot practice without a license unless they are under contract by universities, Government agencies, or private organizations. The exception applies only for the duration of their contract, and they must be registered in a special registry of the National Council of Engineering.

2. "Sociedad de Ingenierios de Bolivia" (Engineering Society of Bolivia), Casilla 187, La Paz, Bolivia, and the "Instituto Nacional de Pre-Inversiones (INALPRE)" (National Institute of Pre-Investment), Casilla 8358, La Paz, Bolivia.

3. A local representative is required and must be a local firm registered with the Ministry of Transportation, Communication and Civil Aeronautics and the INALPRE which is under the Ministry of Planning and Coordination. A resident alien is not acceptable as a local representative.

4. There is no requirement for local equity participation in contracts with U.S. consulting engineers. Local employee participation must be at least 75%.

5. It has not been the practice to accept "turnkey" bids. Contracts with consulting engineers and Government agencies are always through bidding. With private firms, contracts may be negotiated without bidding. It is not possible to adopt negotiated contracts preceded by prequalification when price-bidding occurs. Contract terms do not routinely provide for international arbitration of contract disputes. Prebid financial requirements such as cash deposits and bid bonds are routinely required.

6. There is no discrimination practiced against U.S. consulting engineers.

7. Currency is freely convertible at the official rate, but all purchases of foreign exchange must be registered in advance. Firms are presently required to make a 1-year deposit of profits to be remitted.

8. Yes, U.S. consultant firms are required to pay local corporate or other taxes, unless the contract negotiated stipulates otherwise. There is a 25% tax on corporate profits. There are other taxes such as personal income tax, which the firm also may be required to pay. Domestic engineering firms are required to pay the same taxes. The U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly. An economic advantage may accrue as a result.

9. U.S. consultants' expatriate employees are liable for local taxes unless there is a special contract that provides an exemption. The regular income tax is much too complicated to summarize. Interested firms should contact an attorney to obtain specific information and advice. Custom duty levies are highly dependent on the project and the terms and agreements of the contract. If a Government agency is involved, there may be exemptions from some of the custom duties. Generally, this would not be the case with contracts with private firms.

10. Ministries of Planning and Coordination; Industry, Commerce and Tourism; Public Health; Transportation, Communications and Civil Aeronautics; Power and Hydrocarbonates; Agriculture; Education and Culture; and, Mining and Mineralogy.

Bolivian Mining Corporation.

Bolivian Petroleum Corporation.

Bolivian Development Corporation.

All Regional Development Corporations and Public Works Committees.

11. The official and commercial language is Spanish. The metric system of weights and measures is used.

12. Social costs paid by the employer generally add about 60% to the cost of direct labor.

Botswana

1. Practicing engineers are not required by law to have a licence. There are 38 graduate engineers in Botswana. There is no requirement for foreign engineers to be licensed or registered.

2. There is no professional organization in Botswana for consulting engineers.

3. U.S. consulting engineers are not required to have a local representative. Should one be desired, it is not necessary that he be a citizen of Botswana. He can be a U.S. citizen.

4. There are no known requirements for local participation in a contract with a U.S. consulting engineering firm. Information on employee participation is not available.

5. Consortium-type bids are not encouraged, as engineering services are generally contracted separate from construction. Price bidding takes place. Contracts are negotiated on both quality and cost of proposals. It is possible to adopt negotiated contracts preceded by prequalification. Contract terms routinely provide for the settlement of disputes through international arbitration. No special prebid financial requirements are routinely imposed which would influence the costs of preproject proposals.

6. There is no discrimination practiced against U.S. consulting engineers.

7. Consultants will normally be given all reasonable foreign exchange facilities for implementation of their commissions and will be allowed to repatriate profits. During September 1976, Botswana established its own central bank and issued its own currency, the pula and its subunit, the thebe.

8. U.S. consultants are required to pay local taxes. Corporations must pay a corporate income tax which is levied at a rate of 35%, and partnerships must pay individual income taxes. Any engineering firm designated as "resident" for Botswana tax purposes is required to pay the same taxes. The U.S. consultant can organize as an overseas branch of his U.S. firm, but would not realize an economic advantage with respect to taxation if he organized as a corporation.

9. U.S. consultants' expatriate employees are subject to local income taxes which are levied at progressively increasing rates depending on income. There are eight income brackets beginning with a rate 10% and increasing to 75%. Subject to ratification by an act of its Parliament, Botswana may grant certain tax liability exemptions to those industrial or commercial businesses that it considers essential to its internal development. Subject to prior negotiation, customs duties are generally not levied on items which are imported for use on a Government sponsored project. The personal possessions of the consultants' employees may be brought into Botswana duty-free.

10. Ministry of Works and Communications.
Ministry of Mineral Resources and Water Affairs.
Ministry of Local Government and Lands.

11. English is the official language, but Setswana is spoken by a large segment of the population. The metric system of weights and measures is used.

12. Government regulations require the payment of a minimum wage to persons employed in manufacturing trades. There are further regulations governing the maximum length of the workday and the work week and compensation to be granted for public holidays and overtime work.

Brazil

1. All engineers practicing in Brazil are required to be residents of Brazil and to have a license. As of December 31, 1970 there were a total of 43,905 engineers registered with the Regional Councils for Engineering, Architecture and Agronomy (CREA). Registration with the CREA's is equivalent to obtaining a license for practice. Engineers graduating from foreign schools of engineering are required to have their certificates validated by a Brazilian school of engineering; in most cases this entails taking additional exams in subjects such as Portuguese language, Brazilian history and geography, as well as technical subjects. The foreign engineer seeking registration in Brazil should bring with him authenticated copies of his university and high school transcripts. These documents must be visaed by a Brazilian consul in the country of origin and, upon the individual's arrival in Brazil, be translated into Portuguese by a public translator.

2. "Clube de Engenharia," Avenida Rio Branco, 124, 20.000 Rio de Janeiro, RJ -Brasil, with a membership of about 9,000.

3. A U.S. consultant practicing in Brazil must have at least one member of his staff registered with the CREA. It is not mandatory that this staff member be a Brazilian citizen, but he must be a resident of Brazil.

4. No local equity participation is required for a U.S. firm based in Brazil, but two-thirds of the employees must be Brazilian citizens. Current laws require all Government agencies to contract local consulting firms except in cases where local expertise is not available. Local firms are those entities having their headquarters in Brazil with equity control in Brazilian hands, and with at least half of the technical staff comprised of Brazilian citizens.

5. There are no established rules governing tenders for engineering services. Prequalification tenders preceding contract negotiations are frequently adopted. In many instances prebid financial requirements are stipulated in the bid instructions.

6. There has been no discrimination reported.

7. Any service contract executed between a Brazilian organization and foreign firm requiring payment in foreign currency must be registered with the Central Bank of Brazil. Registration entitles the client to effect payment abroad as provided in the contract.

8. A withholding tax of 25% is assessed on remittances for payment of services. Under certain circumstances the Minister of Finance may waive this tax. Frequently contract terms transfer this tax liability to the Brazilian client. If a U.S. consultant organizes an overseas branch of his U.S. firm, this branch would be subject to Brazilian corporate income tax under which income tax is assessed on net profit rather than gross contract value.

9. If U.S. consultants' expatriate employees receive their salaries in Brazilian currency directly from the client, such payments would be subject to Brazilian individual income tax. However, if these salaries are paid by his employer abroad and they receive from the Brazilian client reimbursement of normal expenses while staying in Brazil, such payments would not be subject to individual income tax levies. Only under very special circumstances are customs duties suspended on items such as equipment and material to be used on projects. Items on which such duties have been waived must be returned to the country of origin upon termination of the contract. Personal belongings of expatriate personnel are granted duty-free entry in limited quantities.

10. "Rede Ferroviaria Federal S.A."-railroad.

"Petrobras Quimica S.A. (PETROQUISA)"-petrochemical.

"Empresa de Portos do Brasil S.A. (PORTOBRAS)"-ports.

"Centrais Electricas Brasileiras S.A."-electric power.

11. The language of Brazil is Portuguese. Contracts may be executed in foreign languages, but must be translated into Portuguese for registration. In case of disputes, the Portuguese text shall prevail. The metric system of weights and measures is used.

12. Fringe benefits paid by the employer are about 60% of take-home pay.

Burma

1. Engineers are not required by law to have a license. There are about 2,500 engineers in Burma, most of whom are graduates of the Rangoon Institute of Technology, although a few are foreign trained. Most of the engineers in Burma are employed by the Government. Foreign engineers are not required to have a license to practice in Burma, but they must obtain a residence permit which is issued by the Ministry of Home and Religious Affairs. Application for such a permit must be accompanied by a recommendation from the specific Government ministry concerned with a project.

2. Burma has no professional or consulting engineer society.

3. A local representative is not required. A consulting engineer may find it advantageous to hire a "technical assistant", registered as such with the Inspection and Agency Corporation. The technical assistant must be a Burmese citizen. Registration of the representative is effected when the foreign firm signs an agency agreement with the Inspection and Agency Corporation. Following that, it can hire a local technical assistant. The technical assistant's salary must be paid through the Inspection and Agency Corporation.

4. There is no stipulation regarding the extent of local equity participation. As all contracts will be with the Government, whether internationally funded or not, a consulting engineer can expect to work to a considerable extent with Burmese counterparts who are Government employees. The extent of local employee participation is normally at the discretion of the consulting engineer.

5. "Turnkey" bids may or may not be requested, depending on the nature and scope of the intended project. Price bidding is the usual method of winning contracts, although there have been exceptions to this rule. It is not possible to adopt negotiated contracts preceded by prequalification. There are no routine provisions for settlement of disputes. Prebid financial requirements are imposed when a project dictates consortium-type or "turnkey" bidding.

6. No discrimination has been reported.

7. There are very stringent restrictions on the convertibility of currency. However, when under contract with a specific Government project, the foreign engineering firm is paid in convertible currency and this problem does not arise.

8. In almost any conceivable situation, the U.S. consultant would be under contract on a specific Government project which provides for tax exemption, and therefore relieves the consultant of the local tax burden. Theoretically, domestic engineering firms would be liable for income tax. In practice, there are no private engineering firms in Burma. A U.S. consultant can organize an overseas branch of his U.S. firm in Burma provided he has been issued a residence permit by the Ministry of Home and Religious Affairs and has obtained approval from the Ministry of Trade. In actual practice, such permission has never been granted.

9. A U.S. consultant's expatriate employees working on a specific Government project would be exempt from local taxes. Customs duties are not normally levied, but are dependent on specific terms of the contract negotiated.

10. Electric Power Corporation.
Irrigation Department.
Rangoon City Development Committee.
Forests Department.
Trade Corporation #1–rice mills.
Foodstuff Industries Corporation–sugar mills.

11. Burmese and English are the official and commercial languages. The British Imperial system is commonly used, but the Burmese can also adapt to the metric system.

12. Social security contributions (covering health, maternity, temporary or permanent disability, death and survivor's pension), vacation and holiday pay, year-end bonuses, retirement and severance pay together add about 20 to 25% to the employer's labor costs.

Burundi

1. Neither Burundi nor expatriate engineers are required to have a license to practice. Foreign nationals who desire to work in Burundi or to visit for the purpose of reviewing potential work, must obtain an entry visa prior to arrival.

2. There are no professional organizations for consulting engineers in Burundi.

3. It is not necessary for a U.S. consulting engineer to have a local representative in order to practice in Burundi.

4. Up to the present time, no local participation has been required in contracts with U.S. consulting engineers, although the Government prefers that some local people be employed; for example, at least one official who will be well-paid by local standards.

5. Contracts are made both through negotiation and by competitive bidding. No additional information is available on contracting procedures.

6. There is no discrimination against U.S. consulting engineers or their firms.

7. There are no known restrictions concerning the convertibility of currency or repatriation of fees.

8. U.S. consulting engineering firms are required to pay the same local taxes as domestic engineering firms pay. Profits on societies (corporations) are taxed at a flat rate of 45%. Minimum tax on societies is one percent of turnover.

9. U.S. consultants' expatriate employees are liable for local taxes. Personal income taxes vary on a progressive scale from 8% on an income of up to 100,000 Burundi francs to 43% on an income of more than one million Burundi francs. Equipment and materials to be used on the project, as well as personal possessions of employees are exempted from customs duties if declared at the port of entry as temporary imports.

10. Consulting engineers in the fields of agriculture, hydrology, geology, construction, and public works have been retained by Government agencies through bilateral aid programs and international organization funding.

11. French and Kirundi are the official languages. French is the commercial language. The metric system of weights and measures is used.

12. Fringe benefits for skilled and semi-skilled labor in Burundi amount to an additional 40 to 120% over wages in labor costs to employers, and average about 65%. Fringe benefits for white-collar workers range from about 40 to 330% over base salaries, and average about 150%.

CAMEROON
EMBASSY: Yaounde
21 Avenue De Gaulle
Tel. 33-57, 33-58

CONSULATE: Douala
Avenue du Gen. LeClerc
Boite Postale 4006
Tel. 42-34-34

CANADA
EMBASSY: Ottawa
100 Wellington St.
Tel. (613)238-5335 K1P 5T1

CONSULATE GENERAL:
Calgary, Alberta
Room 1050
615 Macleod Trail S.E.
Tel. (403)266-8962

CONSULATE GENERAL:
Halifax, Nova Scotia
Bank of Nova Scotia Bldg.,
Hollis St. & Prince St.
Tel. 429-2480, -1, -2

CONSULATE GENERAL:
Montreal, Quebec
P.O. Box 65
Postal Station Desjardins
Tel. (514)281-1886

CONSULATE GENERAL:
Quebec, Quebec
No. 1 Ave. Ste-Genevieve
Tel. 692-2095

CONSULATE GENERAL:
Toronto, Ontario
360 University Ave.
Tel. (416)595-1700

CONSULATE GENERAL:
Vancouver, British Columbia
1199 West Hastings
Tel. (604)685-4311

CANADA (cont'd)
CONSULATE GENERAL:
Winnipeg, Manitoba
6 Donald St.
Tel. 474-2394, -2395, -2396

CENTRAL AFRICAN REPUBLIC
EMBASSY: Bangui
Place de la Republique
Centrafricaine
Tel. 2050, 2051

CEYLON (See SRI LANKA)

CHAD
EMBASSY: N'djamena
Rue du Lt. Col. Colonna
D'Ornano B.P. 413
Tel. 30-91/2/3/4

CHILE
EMBASSY: Santiago
Codina Bldg.,
1343 Agustinas
Tel. 82801-4

COLUMBIA
EMBASSY: Bogota
Calle 37, 8-40 APO NY 09895
Tel. 329-100

CONSULATE: Cali
Edificio Pielroja, Carrera 3,
No. 11-55, APO NY 09845
Tel. 88-11-36/7

CONSULATE: Medellin
Edificio Santa Helena
Avenida Primero de Maya,
APO NY 09895
Tel. 313-188

CONSULATE: Barranquilla
(Street address not available)

REPUBLIC OF THE CONGO
EMBASSY: Brazzaville
(temporarily closed)
Avenue du 28 Aout 1940
Tel. 31-06

DEMOCRATIC REPUBLIC
THE CONGO (See ZAIRE)

COSTA RICA
EMBASSY: San Jose
Avenida 3 & Calle 1,
APO NY 09883
Tel. 22-55-66

CYPRUS
EMBASSY: Nicosia
Therissas St. & Dositheos St.
FPO NY 09530
Tel. 65151/5

DENMARK
EMBASSY: Copenhagen
Dag Hammarskjolds Alle 24
APO NY 09170
Tel. 12-31-44
Telex. 22216

DOMINICAN REPUBLIC
EMBASSY: Santo Domingo
Corner of Calle Cesar Nicolas
Pensen & Calle Leopoldo
Navarro, APO NY 09899
Tel. 682-2171

ECUADOR
EMBASSY: Quito
120 Avenida Patria
Tel. 230-020

CONSULATE GENERAL:
Guayaquil
Casilla X,
Tel. 511570

EL SALVADOR
EMBASSY: San Salvador
1230, 25 Avenida Norte
APO NY 09889
Tel. 25-7100

ETHIOPIA
EMBASSY: Addis Ababa
Entoto St., P.O. Box 1014,
APO NY 09319
Tel. 110666

Federal Republic of Cameroon

1. Cameroonian engineers are not required to have a license to practice in Cameroon. Foreign engineers may practice without obtaining a license, but the Government usually prefers that they work in collaboration with Cameroonian engineers. Approval, not license, to practice is granted by the Ministry of Economy and Plan.

2. At present, there is no professional organization for consulting engineers, but one is to be formed in the near future.

3. A U.S. consulting engineer is not required to have a local representative in order to practice in Cameroon, but the authorities prefer that he have one. The local representative may be a U.S. citizen but a Cameroon national is highly desirable. There are no formal registration requirements for the establishment of local representation, except for mutual agreement between parties involved.

4. Local contract participation is not obligatory in a contract with a U.S. consulting engineer. Local employee participation is not fixed by law.

5. Consortium or "turnkey" bids are not routinely requested. Contracts are usually negotiated. It is legally possible to adopt negotiated contracts preceded by prequalification. Contract terms do not routinely provide for the arbitration of disputes. Special prebid financial commitments such as bid bonds or bank guarantees are routinely required.

6. There is no deliberate discrimination against U.S. consulting engineers practiced in Cameroon, but French language capability is almost a necessity.

7. The unit of currency is the "Communaute Financiere Africaine" (CFA) franc. These are freely convertible, but repatriation of fees is subject to compliance with exchange control procedures.

8. U.S. consultant firms are required to pay the same local taxes as are domestic engineering firms. The corporate tax rate is 30%. The U.S. consultant can organize as an overseas branch of his U.S. firm. By doing so he would realize a definite economic advantage.

9. U.S. consultants' expatriate employees are subject to local taxes unless their services are performed within the framework of an assistance project, or tax relief has been specifically authorized by the Government of Cameroon. Income tax is levied on a graduated scale. There is also a tax on wages and salaries which is 3.03% of income. No custom duties are levied on items imported which are not intended for resale such as equipment and materials to be used on the project and the personal possessions of the consultants' employees.

10. Various Ministries may use the services of consulting engineers on projects, but normally the foreign partner or aid donor arranges for these services.

11. The Federal Republic of Cameroon is bilingual, with French and English as the official languages. However, English is not widely understood or spoken in East Cameroon, where most economic activity takes place. The metric system of weights and measures is in general use throughout the Federation. The British Imperial System of weights and measures is sometimes employed in West Cameroon.

12. The relation of social costs to take-home pay varies considerably. Senior civil servants receive fringe benefits which can equal half of their pay. On the other hand, many workers employed on a daily basis do not receive any fringe benefits. On some of the large plantations educational and medical facilities are provided, while many firms ignore legislation dealing with workers' benefits. It is estimated that, nationally, social costs add less than 20% to labor costs.

Canada

1. Engineers are required by law to be registered with the proper provincial or territorial association of professional engineers. There are 85,000 such registrations in Canada. Foreign engineers are required to have a license, which may be obtained from the appropriate provincial or territorial association of professional engineers. Engineers entering Canada for a specific project or limited time must have an entry permit in advance, and must obtain a temporary license or permit to practice.

2. Canadian Council of Professional Engineers, Suite 401, 116 Albert Street, Ottawa, Ontario K1P 5G3 (The Council is a federation of the 11 provincial and territorial associations of professional engineers); and, Association of Consulting Engineers of Canada, Suite 616, 130 Albert Street, Ottawa, Ontario K1P 5G4 (The Association is an affiliate of FIDIC and has a membership of 755 firms).

3. In the Province of Quebec a foreign consultant must collaborate with a registered engineer in order to practice; this requirement does not exist in the other provinces.

4. There are no requirements for local participation except in the Province of Quebec, where a local representative is required.

5. Contracts with consulting engineers are always granted on the basis of negotiations, and price bidding is not permitted by the profession. Consortium-type bids are not normally accepted, although some manufacturing or contracting firms include engineering services in their organizations. Supply of engineering services from these sources is limited to special equipment or products and to special structures, plants, or projects.

6. There is no discrimination, but contracts for engineering services are normally awarded to Canadian firms or individuals.

7. There are no restrictions on the movement of funds into or out of Canada.

8. U.S. engineering corporations carrying on a business in Canada are liable for federal and provincial tax on income earned in Canada, but there is a U.S.-Canadian agreement whereby double taxation may be avoided. A reformed low rate of corporate tax has been retained as a small business incentive. The rate is 25% on the first U.S. $100,000 of business income of Canadian-controlled private corporations and is progressive with income. It is not available to public or foreign-controlled corporations. The general rate of tax for these corporations is 46%. On investment income (including one-half of capital gains, but excluding dividends) of private corporations, 25% of the tax paid is refunded to the corporation as it pays dividends to shareholders. The refundable tax provisions do not apply to public corporations.

9. All provinces levy a tax on the incomes of individuals who reside in Canada or who earn income there. Such persons are liable also for federal income tax if resident in Canada for 183 days or longer. Contractor's machinery and equipment are granted temporary entry at the discretion of the Canadian Customs authorities. Application for temporary importation must be made in advance to Revenue Canada Customs and Excise, Ottawa, Ontario, K1A 0L5. Personal possessions of the consultants' employees will be admitted under a temporary admission permit upon the payment of a refundable deposit required to ensure re-exportation of the items.

10. Canadian Government entities seek to employ Canadian engineers whenever practicable.

11. The official languages of Canada are English and French. English is the general language of commerce. The metric system is now being introduced into Canada.

12. Fringe benefits are estimated to average about 24% for salaried employees.

Central African Republic

1. Engineers are not required by law to have a license to practice, and no licensing procedures are known to exist. There is no information on the number of practicing engineers in the Central African Republic (CAR). Foreign engineers are not required to have a local license to practice, although they must have a work certificate and a residence permit.

2. No professional or consulting engineer societies are known to exist in the Central African Republic.

3. A local representative is not required, but it is the usual practice and is considered advisable to hire one. The local representative need not be a citizen of the Central African Republic, and may be a resident U.S. citizen. There do not appear to be any registration requirements for the establishment of local representation.

4. There is no legally specified local equity participation requirements in contracts with U.S. consulting engineers, but local employee participation is a matter of discussion when the contract is negotiated.

5. It is not known whether it is the practice to request "turnkey" contracts. Contracts with consulting engineers are normally negotiated. It is not known whether it is possible to adopt negotiated contracts preceded by prequalification when price-bidding takes place. Contract terms do not routinely provide for the settlement of disputes by international arbitration. No information is available with respect to prebid financial requirements.

6. No formal discrimination against U.S. engineers exists, but European engineers, especially French, have an advantage based upon local contacts, greater familiarity with local conditions, and the fact that most large-scale projects in the CAR are financed by French or EEC corporations and therefore are tied to European suppliers.

7. There are no restrictions, although repatriation is subject to compliance with exchange control procedures.

8. U.S. consultants are required to pay local corporate and other taxes at rates equal to those paid by local engineers. Rates vary according to the provisions of the tax codes of the Central African Republic. Tax exemptions can sometimes be negotiated with the CAR Government in specific contracts. The average corporate tax rate is levied at 30%. It is not known whether a U.S. consultant could organize as an overseas branch of his U.S. firm and pay taxes accordingly, and if he did so, whether he would realize an economic advantage.

9. U.S. consultants' expatriate employees become liable for local taxes after residing in the Central African Republic for an unknown period of time. Personal taxes are levied at varying rates. Customs duties are levied on items imported not intended for resale such as equipment and material intended for use on the project and the personal effects of the employees. Exemptions may be granted by the Government to approved enterprises.

10. "Direction Generale des Travaux Publics" – public works.

"Direction des Etudes, de la Programmation, et du Controle"—studies, programming, and review.

"Direction de l'Entretien des Routes" – road maintenance.

"L'Agence Transequatoriale des Communications" – communications and transportation.

"Directeur du Laboratorie du Batuneut et des Travaux Publics" – building and construction.

11. The official and commercial language is French. The metric system of weights and measures is used.

12. Fringe benefits in most industries in the Central African Republic amount to about 35% over wages for African employees, and about 100% for European employees.

Chad

1. Chadian engineers are not required by law to have a license to practice in Chad. There is no information available on the number of engineers practicing in Chad. Foreign engineers are not required to have a local license to practice in Chad, but they must have a work certificate and a residence permit.

2. There are no known professional organizations in Chad for consulting engineers.

3. A local representative is not required. If an engineer intends to establish his own engineering firm, he will have to obtain permission of the Chadian Government and pay the necessary licensing fee. If he plans to work with a Chadian firm, a residence permit and work certificate are the only requirements.

4. There are no known legal requirements for either local equity or local employee participation in contracts with U.S. consulting engineers.

5. It is not known whether or not it is the practice to request "turnkey" bids in Chad. Contracts are made both by negotiation and by price-bidding. No additional information about contracting procedures in Chad is known.

6. There is no discrimination against U.S. consulting engineers.

7. Although there are no laws prohibiting repatriation of fees, the Chadian Government would prefer that a certain amount of the profits of any foreign firm be invested in Chad.

8. U.S. consultants are required to pay local taxes. No information is available about the rate of corporate tax. A U.S. consultant paid by a company based outside Chad pays no taxes. If he is paid by a Chadian company he will have to pay income tax which is calculated on a graduated progressive scale according to salary. If he is paid by the Chadian Government, the question of tax liability would be subject to negotiation at the time the contract is written. Foreign and local engineers pay the same taxes.

9. Information concerning the tax liability of consultants' expatriate employees is discussed in 8. above. Customs duties are levied on items imported which are not intended for resale such as equipment and materials to be used on the project and the personal possessions of the consultants and their employees.

10. Ministry of Public Works.
Ministry of Plan.
Ministry of Posts and Telecommunications.
Ministry of Agriculture.

11. The official language is French. The metric system of weights and measures is used in Chad.

12. Fringe benefits or social costs paid by employers are variable according to the level of employee proficiency. Not enough information exists to express these social costs as a percentage of take-home pay.

Chile

1. Both Chilean and foreign engineers are required to be registered to practice in Chile. There are presently 9,601 engineers registered. Engineers and technicians graduated abroad especially contracted to perform a specific function in Chile, must request authorization to practice from the College of Engineers. The requirements are simple and are liberally administered. It is sufficient to register the appropriate engineering status and the contract under which the professional will practice in Chile.

2. The most important engineering society in Chile is the "Colegio de Ingenieros de Chile" (College of Engineers of Chile), Alameda Bernardo O'Higgins No. 1170, 9th Floor, Santiago, Chile. There is also the "Associacion de Ingenieros de Chile" (Association of Consulting Engineers of Chile), Huerfanos 1373, Of. 209, Santiago, Chile.

3. There is no legal requirement for any foreign enterprise practicing in Chile to have an authorized representative in the country.

4. There is no Chilean law limiting the percentage of obligatory national components. Common practice has established the principle of letting engineering contracts to joint venture firms. With respect to local employee participation, 85% of the employees serving the same employer must be of Chilean nationality unless qualified nationals are not available.

5. There is no Chilean legislation regulating engineering contracts. In practice, public works contracts usually separate engineering from construction. In the private sector, bids for package or "turnkey" contracts may still be found. Price bidding is not common in Chile. In cases when price bidding occurs, it is usual to adopt the system of prequalification for the purpose of making a short list for the bidding proper. Chilean contracts rarely provide for international arbitration. There is no regulation requiring pre-bid guarantees.

6. There is no discrimination practiced against U.S. consulting firms.

7. The Chilean national currency is under strict exchange control. The approval of the Central Bank of Chile is required for transfer of funds abroad and amounts payable as fees in foreign currency. Permission to remit dollars should be obtained in advance and included in the contract.

8. U.S. consultants are liable for local taxes. The tax is known as "additional tax", and is the only tax paid by foreign consultant enterprises practicing in Chile. It is levied at a rate of 40% on the total amounts paid or credited to account, with no deduction whatever, to persons with no domicile or residence in the country. Subject to special requirements, an exemption may be granted from this tax when funds are remitted by Chilean enterprises to pay for services received overseas in respect to engineering work or technical advisory services in general. Domestic engineering firms are not required to pay the same tax. A U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly, but it is highly improbable that he would realize an economic advantage by doing so.

9. Yes. All persons domiciled or resident in Chile pay tax on income of any origin. There is an exception, any foreigner establishing his residence or domicile in the country, during the first 3 years of his entry into Chile will only be subject to taxes on income from Chilean sources. Most professionals pay these taxes at the rate of 40% or more. Chilean customs legislation provides for temporary admission, allowing the provisional entry of goods for non-commercial use for a period of up to six months, which period may be extended for a further six months.

10. Most Chilean Government Ministries require the services offered by consulting engineers.

11. Spanish is the official and commercial language. The metric decimal system is used in weights and measures.

12. Social costs to the employer are about 70% above the employees' take-home pay.

Colombia

1. Colombian engineers have to register with the National Professional Council of Engineering and Architecture and obtain a license known locally as a "matricula". There are about 19,000 engineers in the country of which only about 14,500 are registered with the Council. Foreign consulting engineers represented by or affiliated with Colombian engineering firms, or employed by foreign Government agencies, or locally established foreign companies, are not required to have a license. If engaging in private practice, a foreign engineer must have a license issued by the Council.

2. There are several associations for engineers in Colombia, some of which are: The Colombian Engineers' and the Colombian Architects' Societies, for individual engineers and architects, respectively; The Colombian Association of Consulting Engineers which has a membership of about 40 firms; and, The Colombian Association of Constructing Engineers which has a membership of about 70 groups of contractors.

3. In order to operate in Colombia, a U.S. consulting firm must establish a domiciled branch or a legal representative. A consulting engineer having a license issued by the Council may practice without a local representative. The local representative must be a legal resident of Columbia.

4. To successfully contract with Government or quasi-Government agencies, the U.S. consultant must form a joint-venture with a Colombian firm. At least 20% of the contract value must be assigned to the Colombian firm. If more than 10 workers are hired, at least 80% of the laborers, if qualified and available, must be Colombian nationals.

5. Occasionally the Government seeks "turnkey" contracts. Usually, contracts with consulting engineers are separate, and negotiated after a prequalification phase. Contracts do not require prebid financial commitments nor do they provide for international arbitration, routinely.

6. There is no discrimination reported.

Colombia

7. Yes, Colombia has exchange control. An exchange license is required to obtain foreign exchange. A tax of 40% must be withheld on all income taxable in Colombia. Aside from this, the transfer abroad of income or capital gains is subject to a remittance tax of 12%.

8. U.S. consultant firms are required to pay the same taxes as domestic firms pay. The corporate tax rate is 20% for a limited liability company and 40% for a corporation. A U.S. consultant can organize as an overseas branch and pay taxes accordingly, but he would not realize an economic advantage by doing so.

9. All foreign companies or aliens that receive Colombia-source income or possess assets in the country must file a tax return. Income tax rates vary from 10% for net taxable incomes of up to 20,000 pesos to 56% for net taxable incomes of over 780,000 pesos. Employees would be liable for other taxes such as net wealth tax, sales tax and excise taxes. Machinery and equipment to be used in projects which the Government considers of great importance may be exempted from import duties provided it is re-exported at the end of the project. The used personal possessions of foreigners are also exempted.

10. "Ministerio de Obras Publicas" – highways and bridges at the national level.

"Secretarias de Obras Publicas Departmentales" – highways, bridges, and water supply at the state level.

"Secretarias de Obras Publicas Municipales" – streets, sewerage systems, water supply and municipal buildings at the state capital city level.

"Empresas Publicas Municipales" – water supply, telephone service, electricity generation and transmission, sewerage systems, sanitation services, and urban development planning at the state capital city level.

11. The official and commercial language is Spanish. The metric system is used.

12. Social costs add about 50 to 60% to employers' labor costs.

People's Republic of Congo (Brazzaville)

EDITOR'S NOTE: All personnel were withdrawn from Embassy Brazzaville on August 13, 1965. The Embassy will remain closed until further notice. The Federal Republic of Germany serves as protective power for the United States in the Republic of the Congo. It has not been possible to obtain answers to the questionnaire. The latest available information, current as of 1965, is as below:

The engineering profession is not regulated by any set of standards which apply to all engineers.

The Ministry of Public Works and the Ministry of Commerce, Transport, and Mines are the two prime Government agencies that would engage the services of consulting engineers. However, in the public sector, almost all activity which would require the services of consulting engineers is financed by official French, Common Market, or Communist aid, and the procurement of goods and services is directly linked to the financing countries.

There is little opportunity for employment of American consulting engineers at the present time, except for American investment projects.

The official language is French.

The metric system of weights and measures is used.

Costa Rica

1. Costa Rican engineers are required by law to have a license to practice, which may be temporary or permanent. To obtain a permanent license, the applicant must have been a resident in Costa Rica for a minimum period of 5 years. There are about 1,600 licensed engineers in Costa Rica. Foreign engineers must also be licensed. Licenses are issued by the "Colegio Federado de Ingenieros y Arquitectos". Applicants must present their personal qualifications in writing, must present their original diploma and a photostatic copy noting academic degree, and must present certificates of graduation and registration subject to approval by the University of Costa Rica. Applicants must also pay registration fees.

2. "Colegio Federado de Ingenieros y Arquitectos", apartado 2346 - San Jose, Costa Rica - phone 23-01-33 - Ing. Alejandro Garcia, Executive Director.

3. A U.S. consulting engineer must have a local representative who must be both licensed and a member of the "Colegio Federado". He may be either a Costa Rican national or a resident U.S. citizen provided he is licensed. A U.S. engineer must execute a power of attorney in behalf of the local representative.

4. Local equity participation in a contract with a U.S. engineer is not required by law and is dependent upon the contracting parties. Local employee participation depends also on the contracting parties.

5. It is not the general practice to request "turnkey" contracts although they are sometimes required with prebid financing plans. Contracts are not negotiated and it is not possible legally to adopt negotiated contracts preceded by prequalification. Contracts routinely provide for the settlement of disputes by the local Court of Justice. Costa Rican Government agencies usually request a participation guarantee of about 5 to 10% of the value of the offer for all public bids.

6. There is no discrimination against U.S. consulting engineers.

7. Investments must be registered with the Central Bank to make them eligible for guaranteed repatriation. Additionally, contracts should specify that foreign exchange will be made available.

8. U.S. consultants are required to pay the same local corporate and other taxes as domestic firms pay on their Costa Rican source income only. The corporate tax rates vary from 5% on taxable incomes of less than 200,000 colones per annum to 45% on taxable incomes of 1,000,000 colones or more and are levied on a slab basis (a given rate for a given income). Foreign companies pay an additional tax of 0.5% of taxable income, however. A U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly. By doing so he may realize an economic advantage.

9. U.S. consultants' expatriate employees are liable for taxes on all income derived in Costa Rica provided they have resided in the country for more than 6 months during the tax year. The personal income tax rate ranges from 5% on taxable income up to 5,000 colones to 50% on taxable income of 350,000 colones or more. There are also sales and luxury taxes. It is estimated that a married resident with three children and a taxable income equivalent to U.S. $10,000 would have a tax burden of about 17%. Customs duties are not levied on items imported for use on a project, but are levied on employees' personal possessions.

10. "Ministerio de Obras Publicas y Transportes."
"Instituto Nacional de Vivienda y Urbanismo."
"Instituto Costarricense de Electricidad."
"Instituto de Fomento y Asesoria Municipal."
"Instituto Tecnologico de Costa Rica."
"Banco Anglo Costarricense."
"Cajoa Costarricense de Seguro Social."

11. Spanish is the official language, but English is used by larger firms. The metric system is the official system of weights and measures.

12. Fringe benefits paid by the employer add about 39% to direct labor costs.

Cyprus

1. Practicing engineers are required by law to have a license. They must be graduates of the Athens Polytechnic Institute or the Istanbul Technical University, or of another school of equal status; or be members or associate members of the British Institute of Civil Engineers; or possess such qualifications as are considered by the Institute as rendering them exempt from taking the prescribed Institute's A & B examinations; and have at least a year of practical experience. There are 280 civil engineers, 10 structural engineers, and 175 architects registered in Cyprus. Foreign engineers must have a permit to practice in Cyprus. They are eligible to apply to the Government for a permit if they meet the criteria for an indigenous engineer. All alien employees must have work permits.

2. No information available.

3. A registered local engineer is legally required for all projects involving foreign engineering firms. An associate local engineer may be a citizen or a permanent alien resident of Cyprus, or a British national who was a resident of Cyprus on August 16, 1960.

4. Local participation in contracts is not defined by law.

5. It is not the practice to request "turnkey" bids. Usually separate contracts are required for engineering services, construction, materials, and equipment. Both negotiated contracts and price-bidding takes place. Price-bidding may be preceded by prequalification. In certain cases, prebid financing plans are required, together with engineering services and construction.

6. There is no discrimination.

7. Once employment permits have been granted, exchange control permits for convertibility of currency or repatriation of fees are granted as a matter of course.

8. U.S. consultants are required to pay local taxes. Companies and other entities, incorporated or not, are taxed at the rate of 425 mils (US $1.02) on every Cyprus pound (US $2.40) of chargeable income, this yields an effective tax rate of about 42.5%. Domestic firms pay the same taxes.

9. U.S. consultants' expatriate employees are liable for local taxes. Income tax for individuals is based on a progressive rate schedule. On a personal taxable income of US $2,300 the rate would be 8.7%, rising to a maximum taxation rate of about 60% on taxable income in excess of US $12,000. No information is available on customs duties.

10. Ministry of Agriculture and Natural Resources – dam design and construction.

Ministry of Communications and Works – roads and ports.

Electricity Authority of Cyprus – power stations.

11. Greek and Turkish are the principal languages. English is generally understood in commerce. Both the British Imperial and local systems of weights and measures are used.

12. Under the Social Insurance Law, the Social Insurance Scheme is financed in the case of gainfully employed persons by equal weekly contributions from the employee and the employer and the Government at the rate of 720 mils for men and women regardless of age. For self-employed persons, the weekly rate is 680 mils for men and women, paid by the self-insured person, and an additional 50% paid by the Government. At current exchange rates, as of June 1976, one Cyprus pound equals U.S. $2.40. There are 1,000 mils in one Cyprus pound.

Denmark

1. Danish law does not require engineers to have a license. The number of engineers practicing in Denmark is not known. Foreign engineers are not required to have a license to practice in Denmark. Residence and work permits, however, are mandatory for employment in Denmark.

2. There are two professional organizations in Denmark for consulting engineers. These are the "Dansk Ingeniorforening Ingenorhuset", Vester Farimsgade 31, DK 1606 Copenhagen V.-Denmark, and the "Ingenior-Sammenslutningen", Ved Straden 18, DK 1061, Copenhagen K.-Denmark.

3. It is not required that a foreign consulting engineer have a local representative in Denmark.

4. There is no requirement for local participation in a contract with a U.S. consulting engineer.

5. Consortium or "turnkey" bidding is considered inconsistent with the ethical rules of the consulting engineering profession. However, this does not preclude the existence of this type of bidding. Engineering firms that offer services which include planning and consultation, as well as construction, materials, and equipment are not to be designated as consulting engineers. Contracts made with consulting engineers are negotiated. Price-bidding is considered inconsistent with the rules of ethics governing the consulting engineering profession. Contract disputes are normally required to be settled in a Danish court.

6. There is no discrimination against U.S. consulting engineers.

Denmark

7. There are no restrictions concerning the convertibility of currency or repatriation of fees.

8. Foreign consultants established in Denmark are required to pay local and other taxes. Corporate income taxes approximate an effective rate of 37%. Taxes on domestic and foreign engineering firms active in Denmark are the same. A U.S. firm may organize as an overseas branch in Denmark provided it is lawfully registered in its home country and provided that Danish corporations enjoy equivalent rights in the home state of the U.S. firms. A branch operation would be subject to Danish taxation.

9. All individuals domiciled in Denmark are subject to tax on their global income from the first day on which a permanent residence is established. Individuals in Denmark are subject to the following direct taxes – National income tax – Pension contributions – County income tax (outside Copenhagen and Fredericksberg) – Municipal income tax—Capital tax—Dividend tax. In 1975, the average effective rate ranged from 24% on an income of 50,000 Danish Kroner (U.S. $8,000) to 52% on a 200,000 Dkr (U.S. $32,000) income for a married couple with only one spouse earning income. Personal possessions of persons taking up residence in Denmark are free of duty when entering with the traveler or within a reasonable time thereafter. Equipment and materials to be used on a project are subject to applicable duty and taxes. Tools of trade may be entered duty free.

10. Government agencies employ foreign consulting engineers infrequently. Agencies that might employ engineers are:

Ministry of Public Works – water, airports & harbors.
Ministry for Internal Affairs—city planning.

11. The official language is Danish. English and German are understood and spoken by the business community. The metric system of weights and measures is used.

12. Social costs represent 28% of the salaries paid to non-manual employees and 20% of the direct wages paid to manual workers.

Dominican Republic

1. Engineers must be licensed. There are an estimated 1,300 licensed engineers and architects in the Dominican Republic. Foreign engineers must have a license to practice privately, but if employed by a foreign company under contract to the Dominican Government, they are not required to be licensed locally. Licensing requirements are as follows; (1) degree in engineering, which must be revalidated in the country if from a foreign university; (2) certificate of good conduct from the Attorney General; (3) application for license to Secretariat for Public Works through the Dominican Association of Engineers, Architects and Land Surveyors, accompanied by documents which prove compliance with all formalities required. The license is granted by Presidential decree.

2. "Colegio Dominicano de Ingenieros, Arquitectos y Agrimensores", Cesar Nicolas Penson No. 157, Santo Domingo, Dominican Republic.

3. A U.S. engineer may practice through a local representative. The intent of the licensing law is to prevent the practice of engineering by nonresident foreigners.

4. There is no requirement governing local participation, except that 70% of all non-technical personnel must be local national employees.

5. Generally, consortium-type contracts are negotiated when financed entirely by the Government. If projects are financed by international organizations, price-bidding takes place. The Government does not negotiate contracts preceded by prequalification. Contract terms do not routinely provide for the settlement of disputes by international arbitration. No prebid financial requirements are routinely levied.

6. There is no discrimination against U.S. consulting engineers.

7. Exchange transactions are subject to authorization by the Central Bank. New foreign enterprises, after approval and registration with the Central Bank, are guaranteed free repatriation of capital profits. Remittances may be delayed as a result of the scarcity of foreign exchange.

8. Foreign firms retained by the Government are usually exempt by contract from income taxes. Income derived from private consultant services is subject to progressive rates ranging from 10 to 38%. Foreign engineers pay the same rates as nationals. The U.S. consultant can organize as an overseas branch, but he would not realize an economic advantage by doing so.

9. If under contract with the Dominican Government, U.S. consultants' expatriate employees are not liable for local taxes. Otherwise, income derived from private consultant services is assessed at 2%. Equipment, materials, and household effects of the consultants' employees are generally exempted from import duties when the contract is with the Government, otherwise they are subject to duties and taxes.

10. Secretariat of State for Public Works and Communications–public buildings, roads, bridges, civil aviation, ports, postal and telecommunications.

Secretariat of State for Industry and Commerce–mines and mineral resources.

Dominican Institute of Hydraulic Resources (INDHRI)–irrigation and dams.

National Institute of Water and Sewers (INAPA)–sanitary engineering.

Santo Domingo Water Company (CAASD)–Santo Domingo's potable water system.

Dominican Electric Corporation (CDE)–city and rural electrification.

11. Spanish is the official and commercial language, but English is widely understood and used. The metric system is the legal standard of weights and measures.

12. According to informed sources fringe benefits amount to about 30% of labor costs.

Ecuador

1. Both Ecuadorean and foreign engineers must be licensed to practice as professional engineers. There are about 1,500 licensed engineers in Ecuador. A foreign engineer must provide copies of both his U.S. license and academic transcripts to the Central University of Ecuador. The University may then either grant a license, or require a thesis and further course study prior to licensing.

2. "Sociedad de Ingenieros del Ecuador," La Rabida 147, Quito, Ecuador with a membership of about 1,500.

3. A foreign firm must be legally established in Ecuador to work in the country. This may be done by appointing a local representative, by establishing a subsidiary or branch in Ecuador, or by associating with a local firm. A joint venture with a local firm is strongly recommended. Registration procedures are complicated and require the services of an attorney. A local representative, if desired, may be a U.S. resident citizen.

4. Consulting engineers working for the National Planning Board must give 30% of the professional work (in man-hours) to their local partners. At present, other agencies do not have similar requirements, but it is likely that they may be imposed in the near future.

5. Consortium or "turnkey" bids are forbidden in Ecuador. Major contracts in Ecuador proceed through both a prequalification stage and a bid stage. Contracts do not routinely provide for international arbitration. Firms bidding on major projects are required to put up a "bid guarantee" of at least 2% of the bid amount at the time the bid is presented. Winning firms are required to provide a 5% "contract guarantee" and, in addition, 5% of the firms' payments are withheld as a performance guarantee.

6. There is no discrimination against U.S. consulting engineering firms.

7. There are no restrictions concerning the convertibility of currency or repatriation of fees.

8. U.S. consultants are required to pay the same local taxes that domestic firms pay. Ecuador has a graduated progressive income tax ranging from 10 to 42% of gross income. Consulting firms under contract with the Government of Ecuadòr will be exempted from the payment of certain revenue stamp taxes. A U.S. consultant may organize as an overseas branch of his U.S. firm, but it is not known whether he would realize an economic advantage with respect to taxation by doing so.

9. U.S. consultants' expatriate employees are liable for local taxes. The major tax is the income tax and the rates for individuals are the same as the rates for corporations as discussed in 8. above. All equipment and materials to be used on a project are subject to import duties, although exceptions are made in certain cases (notably electification and petroleum projects). Personal possessions of employees are also subject to import duties, except in cases where a Government agency contracts directly for advisors, or where consulting engineers' personnel work for international organizations. In these cases, a limited exemption from import duties is granted.

10. National Planning Board (Junta Nacional de Planificacion)–Overall development plans for Ecuador.

Ecuadorean Hydraulic Resources Institute (Instituto Ecuatoriano de Recursos Hidraulicos–INERHI)-drainage and irrigation.

Ecuadorean Electrification Institute (Instituto Ecuatoriano de Electrificacion–INECEL)-electrification projects.

11. Spanish is both the official and commercial language. The metric system is the official system of weights and measures, but the British Imperial System is well understood and used frequently in commerce.

12. Social costs are dependent on the wage or salary level of the employee and on the benefits paid by the company; however, they would be on the order of 30 to 40% above wages.

El Salvador

1. Practicing engineers are required by law to have a license. There are 1,081 licensed engineers and 228 licensed architects in El Salvador. Foreign engineers must have a license, issued in El Salvador, for locally-financed projects. However, for projects financed by foreign capital or international institutions they may practice without a Salvadorean license; however, plans and studies submitted to the Government for approval must have the signature of a licensed engineer. The University of El Salvador is the licensing authority (Facultad de Ingenieria y Arquitectura; Final 25 Avenida Norte; Ciudad Universitaria, San Salvador, El Salvador). All license applicants must be graduates of the University of El Salvador or of schools recognized by that University.

2. Asociacion Salvadorenos de Ingenieros y Arquitectos (ASIA), 75 Avenida Norte No. 632, San Salvador, El Salvador, Central America.

3. U.S. consulting engineering firms are not required to have local representatives. Should a local representative be desired, he may be a resident U.S. citizen and need not be a Salvadorean citizen. Registration consists of completing an application with the Ministry of Economy, Superintendencia de Sociedades y Empresas Mercantiles.

4. There is no stipulated level of local equity participation. At least 90% of the labor force in an enterprise must be Salvadorean and at least 85% of the payroll must be paid to them. Exempted from both provisions are up to four top management executives. Exceptions are also made when Salvadorean nationals are not available for skilled work needed in the enterprise.

5. Consortium bids in El Salvador rarely include engineering services. Contracts with consulting engineers usually proceed through an initial price-bidding stage followed by a negotiated stage. It is sometimes possible to adopt a negotiated contract preceded by prequalification. Local arbitration is usually stipulated. Tenders usually call for special prebid financial requirements.

6. No discrimination is practiced, but there is a strong tendency to favor well-known foreign firms who are associated with local engineers.

7. Yes, in order to repatriate fees, contracts must be authorized and registered by the Central Reserve Bank and by the Ministry of the Economy.

8. U.S. consulting firms are required to pay local corporate and other taxes, except when salaries are paid by a foreign Government or an international institution. A U.S. firm pays a flat income tax rate of 38%. Domestic firms do not pay the same taxes. Generally, these taxes are proportional to income and lower. A U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes as required. He would not realize an economic advantage under present Salvadoran Law by doing so.

9. Expatriate employees of U.S. consulting firms are subject to local income and other taxes. Individual incomes are taxable at graduated rates beginning at 2.85% on taxable income of less than U.S. $2,800 to a maximum of U.S. $36,870 plus 60% on the taxable excess over U.S. $100,000. Individual income tax rates are the same for foreign as for local engineers. The income tax rates payable by engineers working on temporary jobs vary depending upon the period of residency in El Salvador. No information is available with respect to the levying of customs duties.

10. "Ministerio de Obras Publicas, y Direccion General de Caminos"–highways, roads, bridges & tunnels.

"Direccion de Urbanismo y Arquitectura (DUA)"–public housing, governmental buildings, maintenance of city and suburban streets.

"Administracion Nacional de Acueductos y Alcantarillados (ANDA)"–city water supplies and sewer systems.

"Direccion General de Aeronautica"–construction and installation of airport buildings & air fields.

11. The official and commercial language is Spanish. The metric system has been officially adopted, but in practice the British Imperial System and old Spanish weights and measures are commonly used.

12. Fringe benefits average 25% for blue collar workers and office personnel.

Ethiopia

1. Both Ethiopian and foreign engineers are required to have a municipal license. Licenses may be obtained from any municipality upon payment of a fee. Assessment of the municipal fee is based on total turnover. Engineers on duty-free contract, such as AID projects, are not required to pay the licensing fee. Foreign engineers must also obtain a resident permit and identity card. These are issued by Ethopian Missions abroad and by the Ministry of Interior, Department of Immigration. Engineers intending to reside in Ethiopia should obtain entry visas from Ethiopian Missions prior to entering the country. The number of engineers registered in Ethiopia is not known.

2. There are no professional organizations in Ethiopia for consulting engineers.

3. Consulting engineers practicing in Ethiopia are not required to have a local representative. Should a U.S. consultant decide to engage a local representative, the representative need not be an Ethiopian citizen and may be a U.S. citizen.

4. The extent of local participation or local employee participation in contracts with U.S. consulting engineers is not known.

5. It has been the practice of Ethiopian Ministries requesting bids for Government projects to request consortium or "turnkey" bids in which engineering services are included with construction, materials, and equipment costs. For Government contract awards, which comprise virtually all substantial contracts, price bidding takes place. It is possible to adopt negotiated contracts preceded by prequalification. Contract terms routinely provide for the settlement of disputes by international arbitration. Special prebid financial commitments such as bank guarantees and bid bonds are sometimes requested.

6. Contract provisions do not routinely contain requirements that may be discriminatory against U.S. consulting engineers or contrary to free trade objectives.

Ethiopia

7. All payments abroad require an exchange control permit from the National Bank. Requests for profit repatriation are considered by the National Bank on a case-by-case basis. The National Bank is currently quite reasonable in approving transfers of profits and invested capital upon liquidation.

8. U.S. consulting engineering firms are required to pay the same local taxes as domestic engineering firms pay. The corporate tax rate currently ranges from 20 to 40% of gross income, but it is quite possible that the rate could be significantly increased in the future. The U.S. consultant can organize as an overseas branch of his U.S. firm, but it is not known whether he would realize an economic advantage by doing so.

9. U.S. consultants' expatriate employees are required to pay local income and other taxes. The local personal income tax rate currently ranges from 10 to 25%. However, it is possible that the rates will be significantly raised in the future. Customs duties are generally levied on items imported not intended for resale unless there are specific duty-free provisions in the contract arrangement with an Ethiopian Government agency.

10. Ministry of Public Works and Housing.
Ministry of Agriculture.
Ministry of National Resources Development.
Ministry of Transport and Communications.
Ethopian Road Administration.

11. Amharic and English are the official languages of Ethiopia. English is the most generally used commercial language other than in Eritrea Province where English and Italian are both widely used. The metric system is the most generally used system of weights and measures in Ethiopia.

12. Current information on social costs is not available.

FINLAND
EMBASSY: Helsinki
Itainen Puistotie 14A,
APO NY 09664
Tel. 11931

FRANCE
EMBASSY: Paris
2 Ave. Gabriel 75382 Paris
Cedex 08 France,
APO NY 09777
Tel. ANjou 265-7460

CONSULATE GENERAL:
Marseille
No. 9 Rue Armeny
Tel. 33-78-33

CONSULATE GENERAL:
Bordeaux
No. 4 rue Esprit-des Lois
Tel. 52-65-95

CONSULATE GENERAL:
Lyon
7 Quai General Sarrail
Tel. 24-68-49

CONSULATE: Nice
No. 3 rue Dr. Barety
Tel. 88-89-55

CONSULATE GENERAL:
Strasbourg
15 Ave. d'Alsace
Tel. 35-31-04/5/6

GABON
EMBASSY: Libreville
Blvd. de la Mer, Boite
Postale 4000
Tel. 72-20-03, -04, 72-13-37,
72-03-48

FEDERAL REPUBLIC OF GERMANY
EMBASSY: Bonn
Mahlemer Ave. 5300 Bonn-Bad
Godesberg, APO NY 09080
Tel. (02221)89 55
Telex. 885-455

MISSION: Berlin
Clayalle 170, 1 Berlin 33,
APO NY 09742
Tel. (030)832 40 87

CONSULATE GENERAL:
Bremen
President-Kennedy-Platz 1,
2800 Bremen, Box 1, APO
NY 09069
Tel. (0421) 32 00 01

CONSULATE GENERAL:
Dusseldorf
Cecilienallee 5, 4000
Duesseldorf 30, Germany,
Box 515, APO NY 09080
Tel. (0211) 49 00 81

CONSULATE GENERAL:
Frankfurt Am Main
Siemayerstrasse 21,
APO NY 09757
Tel. 74 00 71

CONSULATE GENERAL:
Hamburg
Alsterufer 27/28, 2000 Hamburg
36, Box 2, APO NY 09069
Tel. (040) 44 10 61

CONSULATE GENERAL:
Munich
Koeniginstrasse 5, 8000
Muenchen 22, APO NY 09108
Tel. (0811) 2 30 11

(Germany continued)

CONSULATE GENERAL;
Stuttgart
Urbanstrasse 7, 7000 Stuttgart,
APO NY 09154
Tel. (0711) 21 02 21

GHANA
EMBASSY: Accra
Liberia & Kinbu Rds.,
P.O. Box 194
Tel. 66811

GREECE
EMBASSY: Athens
91 Vasilissis
Sophias Blvd.
APO NY 09253
Tel. 712951 or 718401

CONSULATE GENERAL:
Thessaloniki
59 Vasileos Constantinou St.
APO NY 09693
Tel. 273-941

GUATEMALA
EMBASSY: Guatemala
7-01 Avenida de la Reforma,
Zone 10, APO NY 09891
Tel. 61541/2/3/4

GUINEA
EMBASSY: Conakry
2d Blvd. & 9th Ave.
Boite Postale 603
Tel. 415-20 thru 24

GUYANA
EMBASSY: Georgetown
31 Main St.
Tel. 62687

HAITI
EMBASSY: Port-Au-Prince
Harry Truman Blvd.
Tel. 20200

HONDURAS
EMBASSY: Tegucigalpa
Avenida La Paz
APO NY 09887
Tel. 22-3121/22/23/24/27

HONG KONG
CONSULATE GENERAL:
Hong Kong
26 Garden Rd., FPO
San Fran 96659
Tel. 239011

Finland

1. Neither Finnish nor foreign engineers are required to be licensed to practice in Finland. Foreigners are required to obtain a labor permit, which should be obtained prior to entering the country, before they are permitted to work in Finland.

2. The Finnish Association of Consulting Engineers (SNIL), Korkeavuorenkatu 29 A, SF-00130 Helsinki 13, Finland This Association has a membership of about 400 individuals.

3. There are no regulations requiring a U.S. consulting engineer to have a local representative in order to practice in Finland.

4. There are no requirements governing local participation in a contract with a U.S. consulting engineer.

5. It is not customary to request consortium or "turnkey" bids. Normally, separate contracts are made for engineering services. Consortium bids may later gradually come into use. Contracts made with engineers are normally negotiated, although price-bidding also takes place. It is legally possible to adopt negotiated contracts preceded by prequalification. Contracts do not routinely provide for the settlement of disputes through international arbitration. Special prebid financial commitments such as bid bonds or bank guarantees are not routinely imposed.

6. There is no discrimination against U.S. consulting engineering firms.

Finland

7. The Bank of Finland has authority to regulate currency transactions. As a general rule, currency convertibility for repatriation of profits or fees is freely allowed. It is recommended, however, that during the contract negotiating stage, Bank of Finland approval be obtained for anticipated repatriation of profits, fees, or other income.

8. U.S. consultants are required to pay the same local taxes as domestic firms pay. The national corporate tax is currently levied at a flat rate of 43% of net taxable income. In addition to this tax, corporations are subject to local income tax of the area in which they are based. The rate varies from 10 to 18% depending on the community. Corporations must also pay an annual church tax of one percent.

9. Expatriate employees resident in Finland would be subject to both national and local income taxes. Income taxes are assessed on a progressive scale starting with a minimum of Finnish markka (Fmk) 12 on an income of Fmk 2500 (approx. U.S. $600), plus 13% of the excess over Fmk 2500 up to Fmk 3400 (approx. U.S. $895). The tax on income of Fmk 40,000 (approx. U.S. $10,500) up to Fmk 60,000 (approx. U.S. $15,800) would be Fmk 11,750 plus 40.25% of the excess over Fmk 40,000. In addition, the various municipalities levy income taxes at rates from 11 to 19%. The rate for Helsinki is 19%. No current definitive information on customs duties is available.

10. National Board of Public Roads and Waterways--highways, bridges.

Building Board–public buildings, waterworks, airports, canals.

Board of Navigation–ports.

Finnish State Railways–rail lines.

11. The official languages are Finnish and Swedish. English and German are the more common commercial languages. The metric system of weights and measures is used.

12. Indirect social costs are estimated to be 40% of wages actually paid.

France

1. Neither French nor foreign engineers are required to have a license to practice in France. There are no specific regulations governing the consulting engineering profession in France. An U.S. consulting engineer can practice freely in France. However, he is required to have a work permit which is issued by local police authorities.

2. Chambre des Ingenieurs Conseils de France (CICF) (Consulting Engineers Council of France), 108 rue Saint Honore, 75001 Paris, France. The CICF is a member of FIDIC and has a membership of 1000.

3. There are no specific regulations with respect to requiring local representation in contracts with U.S. consulting engineers.

4. There are no specific regulations that govern either local equity or local employee participation in contracts with U.S. consultants.

5. It is usually not the practice to require "turnkey" bids. However, a new regulation on public works bids was issued in 1973. According to this regulation, government agency or public collectivity is in contact with one person only (physical or moral), this person being authorized to prepare the bids with partners. Most contracts are negotiated. However, price-bidding does occur and takes place mostly in public works contracts. It is possible to adopt negotiated contracts preceded by prequalification when price-bidding occurs. Contracts do not routinely provide for the settlement of disputes through international arbitration, but usually specify settlement in accordance with French laws. Special prebid financial commitments are not routinely imposed.

6. No discrimination has been reported.

7. Subject to compliance with exchange control procedures, currency may be converted and fees repatriated.

8. U.S. consultant firms are liable for local taxes. The corporate tax rate is 50% on profits. Domestic engineering firms are required to pay the same taxes as foreign firms pay. The U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly provided it is done in accordance with French-U.S. fiscal convention. Whether an economic advantage would accrue as a result would have to be evaluated on a case-by-case basis.

9. U.S. consultants' expatriate employees are subject to local income and other taxes in accordance with French - U.S. fiscal convention. Taxes are levied at progressive rates and are dictated by income. Items imported into France and not intended for resale are subject to custom duties and added value tax. Personal possessions are not subject to any taxes.

10. All French Ministries employ consulting engineers for public works and other types of consultancy engineering. According to the CICF, no preference is shown to French engineers at the expense of foreign engineers.

11. The official and commercial language is French. The metric system of weights and measures is used.

12. Social costs paid by the employer represent about 35 percent of the labor costs when the consulting engineering firm is submitted to the added value tax ("taxe sur la valeur ajoutee"), or between 40 and 50% of the labor costs when the firm is not submitted to the added value tax system. Consulting engineering firms have the option of freely adopting or not adopting the added value tax system.

Gabon

1. Gabonese engineers are not required by law to be licensed, but otherwise they must be qualified by academic and technical training. No information is available on the number of practicing engineers. A foreign consulting engineer wishing to establish a private practice in Gabon must obtain a license from the Government of Gabon. This does not apply to foreign engineers working on a temporary basis under contract to the Gabonese Government or to a private firm operating in Gabon. The contract must follow the lines of the "Code du Travail" and assure the return passage of the engineer to his country of origin. The foreign engineer must also wait for the approval of the Inspection de Travail for the issuance of a Gabonese visa. The Gabonese Government handles arrangement for those foreign engineers which it engages.

2. There is neither a professional, nor a consulting, engineering society in Gabon.

3. A local representative is customarily required, but he need not be a citizen of Gabon and may be a resident U.S. citizen. Registration requirements consist of payment of necessary fees to the Treasury.

4. Local participation in a contract with a U.S. consulting engineer is not required. Requirements for local employee participation are variable and dependent upon the nature of the contract and/or project.

5. Contracts for work financed by the Gabonese Government generally have not been offered for price-bidding. The Government of Gabon has announced that henceforth all major development projects will be subject to international competitive bidding. It is legally possible to adopt negotiated contracts preceded by prequalification. Contracts customarily contain an arbitration clause. Prebid financial requirements are usually imposed, but will vary depending on the terms of the contract.

6. There is no discrimination against U.S. consulting firms.

7. All foreign exchange transactions are subject to authorization by the Foreign Exchange Office and the Ministry of Finance. Transactions are generally approved.

8. In principle, foreign consultants must pay local taxes, which apply equally to Gabonese nationals and foreigners. However, exemption from taxes can sometimes be made the subject of negotiation when the contract is made. A more definitive answer cannot be given as response would vary depending on contract terms.

9. In principle, U.S. consultants' expatriate employees would be liable for the same taxes as would Gabonese nationals. However exemption from taxes can sometimes be made the subject of negotiation when the contract is made. A more definitive answer cannot be given as the response would vary depending on contract terms. Customs duties cannot be discussed for the same reasons.

10. Ministere des Travaux Publics—roads, government buildings, maritime and river navigation, and safety.

Commissariat du Plan – general planning, surveying, mineral resource research, and mining.

Ministere de la Sante Publique—public health facilities.

Ministere de l'Agriculture—agricultural assistance, experimental farms.

Ministere des Daux et Forets—conservation of forest and water resources, technical research.

11. The official language is French. The metric system of weights and measures is used.

12. Employers are required to pay around 20% of their employees' gross monthly salaries into a fund which covers health and death benefits, social security, unemployment and family allocations.

Federal Republic of Germany and West Berlin

1. German practicing engineers are not required by law to have a license. A foreign self-employed engineer may practice without a local license, but he must have a residence permit which is issued by the local police or municipal authorities.

2. The two prime professional organizations are: "Verein Benratender Ingenieure (VBI)" (Association of Consulting Engineers), Essen, which has a membership of 1,500 and is an affiliate of FIDIC; and, "Verband Unabhaengig Beratender Ingenieurfirmen" (Federation of Independent Consulting Engineering Firms), Bonn, which has a membership of 117.

3. It is not required that a U.S. consulting engineer have a local representative in order to practice in the Federal Republic of Germany and West Berlin.

4. There are no legal requirements governing the level of local, or local employee, participation in contracts with U.S. consulting engineers.

5. There is no prevalence of consortium-type bids or other specific practices in the engagement of consulting engineers. Contracts are negotiated. No other information with respect to contracting practices is available at this time.

6. There is no discrimination in principle, but in fact, preference is generally given to German firms unless the foreign competitors have outstanding qualifications needed in a specific field.

Federal Republic of Germany and West Berlin

7. Current accounts are freely convertible.

8. U.S. consultant firms are required to pay the same local corporate (if applicable), or other taxes, which domestic engineering firms are required to pay. For tax rates see OBR "Marketing in the Federal Republic of West Germany and Berlin" (November 1975). A consultant can organize as an overseas branch of his U.S. firm and pay taxes as required.

9. U.S. consultants' expatriate employees are subject to local income and other taxes. For details see the section on "Personal Income Tax" in the OBR report referenced in 8. above. Customs duties are levied on items imported for professional use. Personal effects may enter duty-free.

10. There is no legal restriction against the use of foreign consulting engineers for Government projects, but in practice, their services are rarely utilized except in conjunction with German engineers for preplanning, or implementing development aid projects under the foreign aid programs.

11. German is both the official and commercial language. The metric system of weights and measures is in use throughout the country.

12. Fringe benefits average about 40 to 50% over take-home pay.

Ghana

1. Architectural engineers are required by law to be licensed. Engineers in other disciplines are not required to be licensed. Foreign engineers are required to comply with the same regulations as local engineers. In the case of architects, however, qualified nonresidents may make special application for temporary registration for the purpose of executing a specific project. As a general rule, foreign engineers in any profession are required to apply to the Principal Immigration Officer, Ministry of Interior Affairs, for permission to work in Ghana, as well as to employ any foreigners in a business. Engineers are also required to register with the Ghana Institution of Engineers. If they form a company or partnership, they must register with the Registrar General. Architectural engineers are required by law to be registered with the Architects Registration Council and to be a member of the Ghana Institute of Architects.

2. Ghana Intitution of Engineers, P.O. Box 7042, Accra; and the Ghana Institute of Architects, P.O. Box M-272, Accra. The number of members in these two organizations is not known.

3. There is no specific requirement that a U.S. consulting engineering firm have local representation, but it would be advantageous in establishing a business and obtaining necessary permits. The local representative could be a resident citizen of any country, provided he had the permission of the Principal Immigration Officer. The registration requirements for a local representative are the same as for business firms in general.

4. A degree of local participation in contracts is required, depending on the circumstances. Employee participation is also required, the extent depending upon availability of qualified local laborers or professionals.

5. It is not generally the practice to request consortium bids. Contracts are more often negotiated than selected on the basis of price bidding. It is legally possible to adopt negotiated contracts preceded by prequalification. As a rule, contracts routinely provide for the settlement of disputes by international arbitration. No special prebid financial commitments are routinely imposed.

6. There is no discrimination against U.S. firms.

7. Ghana currency is not convertible, and transactions must have Bank of Ghana approval. Foreign exchange constraints limit remittances.

8. U.S. consultant firms are required to pay the same local taxes as paid by domestic engineering firms. The corporate income tax for mining and commercial concerns is set at 65%. Industrial companies are assessed at a rate of 55% of their profits. Firms in mining operations pay a tax on the value of their extracted minerals. This tax is charged on the basis of a sliding scale and the rate varies with the yield of the mining operations. This tax can be assessed at a rate up to 25%.

9. U.S. consultants' expatriate employees are liable for local income taxes. Income tax in Ghana is payable by all persons, whether residents or not, who derive a source of income in Ghana. Some incomes may be exempt from the tax if the income is that of an expert, advisor, or trainee working for the Government of Ghana. Personal income tax graduated rates begin with 5% on income (in Cedis) over 648 and under 889 to 70% at 14,000. Thereafter a 10% surtax is added to 50,400 and 15% exceeding that. Custom duties are levied unless exempted by prior written agreement by the Government of Ghana.

10. Ministry of Agriculture.

Ministry of Defense.

Ministry of Works—responsible for the majority of public works, operating through the State Construction Corporation, State Housing Corporation, Tema Development Corporation, Public Works Department, and Ghana Highway Authority.

11. The official language is English. The British Imperial System of weights and measures is used; however, Ghana is in the process of converting to the metric system.

12. In most industries fringe benefits add approximately 25% to labor costs. Fringe benefits for expatriate employees generally amount to a 40 to 50% supplement to their salaries.

Greece

1. Greek practicing engineers are required to have a license issued by the Polytechnic University of Athens and to be registered with the Technical Chamber of Greece. There are 19,804 engineers registered with the Chamber. Foreign engineers are not allowed to practice as professional engineers in Greece except in special instances and then they are not issued a license. Foreign nationals of Greek descent, or married to Greeks, may become eligible, subject to professional examination, provided they have both work and residence permits.

2. The principal professional engineering society is the Technical Chamber of Greece, 4 Karageorgi Servias Street, Athens, encompassing all licensed engineers. There are also many professional organizations for each of the various disciplines.

3. U.S. consulting engineering firms are generally allowed to establish offices in Greece, as long as they operate for clients located outside Greece. Article 9 of Law 4171, accords privileges and tax concessions to engineering firms established in Greece, but operating outside the country. U.S. consulting engineers operating in such a manner are not required to have a local representative.

4. There is no requirement for local participation in contracts with U.S. engineers. Law 4171 enterprises are authorized to hire foreigners in high-ranking positions and pay them in foreign exchange which may be remitted abroad. Law 4171 firms will enjoy tax and tariff advantages provided that at least 80% of their personnel and at least 60% of each category (technical and administrative) of personnel are Greek nationals.

5. Consortium-type bidding is rarely requested. Contracts are awarded on the basis of qualifications. Price bidding is preceded by prequalification. Contracts routinely stipulate local arbitration. There are no prebid requirements for consulting services, but bank guarantees must be submitted to cover down payments.

6. No discrimination is practiced.

7. Fee and salaries may be paid in transferable foreign exchange, but the desired transfer should be provided for in the contract.

8. Foreign firms established under Law 4171 are exempt from payment of income taxes and any other levies on their income derived from work outside Greece. They are, however, subject to payroll taxes, deductions and contributions. Foreign firms are subject to local corporate taxes on profits derived from projects performed in Greece, unless the contract with the Greek Government accords tax exemption. More detailed information on taxes appears in the Overseas Business Report "Marketing in Greece" published by the U.S. Department of Commerce.

9. Any person who earns an income in Greece must file an income tax return. Foreign personnel of foreign technical enterprises established in Greece under Law 4171 are exempt from income tax and other levies on their non-Greek income, if not permanently residing in Greece. The rate of taxation is progressive, ranging from 3 to 60% under 19 income brackets, plus 10 or 15% extra on the total amount of income tax payable, for the benefit of the Crop Insurance and Farm Pension Organization.

10. Some Government agencies likely to employ consulting engineers are:

Ministry of Coordination and Planning.
Ministry of Public Works.
Ministry of Agriculture.
Ministry of Transport and Communications.
Hellenic Industrial Development Bank (ETVA).
Ministry of Education and Religion.
Public Power Corporation (PPC).
Hellenic Telecommunications Organization (CTE).

11. The official language is Greek. English and some French are also used in commerce. The metric system of weights and measures is used.

12. According to informed sources, social costs paid by the employer to blue collar works amount to about 55% over and above take-home pay.

Guatemala

1. Engineers are not required by law to be licensed, but only members of the College of Engineers have the legal authority to approve work plans. Membership is automatic upon receipt of an engineering degree from a local university. Engineers graduated from other institutions, including foreign engineers, must present transcripts and occasionally submit a thesis, and take oral and written examinations in Spanish before a board selected by the University School of Engineering.

2. There are 946 active members of the College of Engineers of which approximately 24 are foreigners. The majority (729) of members are civil engineers. The address is as follows: "Colegio de Ingenieros de Guatemala," 7A. Avenida 39-60, Zone 8, Guatemala City, Guatemala, Ing. Manuel de J. Castellanos, President.

3. It is not legally required that a foreign consulting engineer employ a local representative. However, it is the practice of most U.S. firms to maintain representatives, as a majority of official bids carry a clause requiring local representation. The local representative may be a citizen of any country, but he must be a resident of Guatemala. A local representative should be registered in the Civil Register, as is required of all firms operating in Guatemala.

4. There is no legislation requiring local participation in a contract. However, the Guatemalan Labor Law specifies that 90% of the personnel of all companies operating in Guatemala must be Guatemalan, and that 85% of the payroll must be paid to Guatemalans. The manager or owner is excepted, as are technical personnel not available in Guatemala.

5. It is not the general practice to request consortium or "turnkey" bids. Contracts with consulting engineers are usually sold or exchanged for certain materials. For some projects prequalification is required. Contract terms seldom provide for the settlement of disputes by international arbitration.

6. There is no discrimination against U.S. firms; however, there is a preference for local firms.

7. There are no currency exchange controls or restrictions on repatriation of fees.

8. U.S. consultant firms pay the same tax rate as local firms on all income derived from services rendered in Guatemala. Those rates range from 5% on taxable income of U.S. $1000 to 48% on U.S. $500,000 with surcharges of about 21% where taxable income exceeds U.S. $10,000.

9. U.S. consultants' expatriate employees are subject to the same income tax as local employees. These taxes are levied at the same rate as those applied to corporations as described above in 8. Equipment to be used on a Government project may enter duty-free. Duty on personal possessions and machinery imported for use in private contracts, may be paid with a bond which can be reclaimed upon exportation of those items within a certain, limited period.

10. Ministerio de Comunicaciones y Obras Públicas–overally responsibility in the field of roads, communications, and miscellaneous public works.

Instituto Nacional de Electrificación (INDE)–development of electric resources and networks.

Dirección General de Caminos–highway construction and maintenance.

Instituto de Fomento Municipal (IFOM)–urban development, potable water, and sanitation projects.

Consejo Nacional de Planificación Economica–feasibility studies and surveys.

Banco Nacional de la Vivienda (BANVI)–Public housing.

11. The official and commercial language is Spanish, although the larger firms are accustomed to corresponding in English. The metric system has been officially adopted, but in practice, U.S. and old Spanish weights and measures are commonly used.

12. Local sources calculate labor fringe benefits at about 35% of take-home pay. However, workers can be contracted for fixed, short periods without payment of severance pay and other fringe benefits.

Guinea

1. Engineers, both foreign and domestic, in private practice are required to have a license which can be obtained by submitting a personal history statement, a copy of the engineer's college diploma and other data attesting to the engineer's qualifications to the Ministry of the Economic Domain. Foreign engineers entering Guinea on special contracts, employed either by an international agency or private firm in collaboration with the Government of Guinea, are processed by their sponsoring agency. Special arrangements are negotiated in these instances regarding conditions of employment and payment of salary.

2. There are no professional organizations in Guinea for consulting engineers.

3. A U.S. or other foreign consulting engineer is not required to have a local representative.

4. Local participation in a contract with a consulting engineer is not required. While there is no legal requirement concerning the hiring of local employees, it is encouraged and expected.

5. "Turnkey" bids in which engineering services are included with construction costs are an acceptable means of contracting in Guinea. For the most part, contracts with consulting engineers are negotiated. Contract terms routinely provide for the settlement of disputes by international arbitration. No information is available on prebid financial requirements.

6. No discrimination against U.S. consulting engineering firms has been reported.

Guinea

7. The Guinea Syli is not convertible and as a consequence foreign exchange is strictly controlled. An alien working in Guinea is allowed to repatriate 30% of his fees or salary. Engineers and other experts working under special contract usually may repatriate a much larger percentage, which should be specified when the contract is made.

8. U.S. consultants are liable for local income and corporate taxes unless special exemptions are granted during contract negotiations. Taxes payable in Guinea include: profit tax, 33.3% of net corporate profits (if self-employed, 27.5%); License tax, about U.S. $160 per annum plus 12% of office rental space; Turnover tax, 7%; Stamp tax on transactions, 5%; Real estate tax, a progressive tax of 10, 15, or 20% which is levied proportional to rental value of property; Vehicle tax, US $10 to $32 per vehicle; Tax on salaries paid, 10% of gross payroll; Apprentice tax, 2% of payroll; Social Security, averaging about 15.2% of gross payroll; for incorporated firms a 1% tax on subscribed capital; 7% tax on increases in subscribed capital; tax on paid-out dividends, 10% on bonds, 20% on stocks.

9. All persons employed in Guinea, except the diplomatic corps or those otherwise exempt must pay the local taxes as described above at 8.

10. The Ministry of the Economic Domain, Bureau of Liaison, may employ consulting engineers.

11. The official and commercial language is French. The metric system of weights and measures is used.

12. Minimum stipulated, or usual, fringe benefits amount to about 30 to 35% in additional labor costs to employers. However, these benefits may represent as much as 90% of wages and salaries in a few large enterprises.

1. Engineers are not required to be licensed to practice in Guyana.

2. Guyana Association of Professional Engineers, P.O. Box 95, Georgetown. Information on membership of this Association is not available.

3. For a U.S. consulting engineer to practice in Guyana he must have a local representative, and the local representative must be both a citizen of Guyana and be employed by a local consultant. There are no registration requirements for establishing local representation.

4. Local participation in a contract with a U.S. consultant must be to the fullest extent possible. Local employee participation in contracts is also maximized to the fullest extent.

5. It is not the practice to require consortium or "turnkey" bids. Contracts with engineers are negotiated. Contract terms routinely provide for the settlement of disputes through international arbitration. Prebid financial commitments are not routinely imposed.

6. There is no discrimination practiced against U.S. consulting engineers.

7. There are no restrictions concerning the convertibility of currency or repatriation of fees.

8. U.S. consultant firms are not required to pay local corporate or other taxes. The U.S. consultant may not organize as an overseas branch of his U.S. firm.

9. U.S. consultants' expatriate employees are not required to pay local income or other taxes. Customs duties are not levied on items imported which are not intended for resale such as equipment and materials to be used on the project and the personal possessions of the consultants' employees.

10. Ministry of Economic Development.
Ministry of Works and Housing.
Ministry of Agriculture.

11. English is both the official and commercial language. The British Imperial System of weights and measures is used.

12. Employer paid social costs have been estimated to be about 50% of take-home pay.

Haiti

1. All engineers are required by law to be licensed to practice in Haiti. Engineers employed by official contractors of international organizations may be exempted. No information is available on the number of engineers licensed, or on licensing requirements.

2. TECINA, S.A., 85 Rue des Fronts Forts, Portau-Prince, with 6 members; Groupements d'Ingenieurs et d'Architectes (G.I.A.), Angle Rue des Miracles et Monseigneur Guilloux, Port-au-Prince, with 6 members; and, COVEL-SA, Chancerelles, Port-au-Prince, with 3 members.

3. A local representative is required for a U.S. consulting engineering firm to practice in Haiti. The local representative need not be a Haitian citizen and he can be a resident of the U.S. Local representation must be registered with the Secretary of Commerce and Industry. The application for registration must state: amount of capital to be invested; location of firm, detailed list and cost of machinery and place of origin; approximate number of employees, including foreign specialists and duration of service of the latter; nature of services to be furnished; sales areas contemplated; and, the tentative starting date.

4. There is no regulation concerning local equity participation in a contract with a U.S. firm. The Haitian labor code requires that not less than 95% of the employees of any firm be of Haitian nationality. This can be waived in some cases where highly specialized employees are needed.

5. Consortium or "turnkey" bids are infrequent. Contracts are both negotiated and bid. In practice, negotiated contracts preceded by bidding sessions are common. Settlement of disputes through international arbitration is sometimes provided, but this is a negotiable provision that the contractor can discuss when making the contract. Cash deposits are required for construction projects.

6. There is no discrimination practiced.

7. There are no restrictions concerning the convertibility of currency or repatriation of fees.

8. Foreign firms pay local taxes unless specifically exempted by contract. The taxes are numerous and cannot be summarized in a short space. U.S. and domestic firms are taxed at the same rate, but a "patent" (a quasi-professional license which must be obtained before work may begin) costs three times as much for a foreign firm. There are no legal restrictions that would prevent an U.S. consultant from establishing an overseas branch of his U.S. firm in Haiti and paying taxes accordingly. There would be no tax advantage by doing so. Additional tax information may be had by writing the Office of International Marketing, U.S. Department of Commerce.

9. The expatriate employees of U.S. consultants are liable for several local taxes unless specifically exempted by contract. The taxes are too numerous to be summarized. Additional tax information can be had by contacting the Office of International Marketing, U.S. Department of Commerce. No custom duties are levied on imported materials to be re-exported or on machinery to be used in production for export.

10. No governmental agency employs consulting engineers.

11. French is both the official and commercial language. A few businessmen and Government officials speak English. The metric system of weights and measures is used.

12. Social costs and fringe benefits borne by the employer add about 30 to 45% to the direct cost of labor. Each employee is entitled to one month's salary as a year-end bonus and from one to three month's wages as severance pay.

Honduras

1. Honduran engineers must be licensed to practice. There are 643 licensed engineers. foreign engineers must also be licensed. Engineers are licensed by the College of Engineering of the National Autonomous University of Honduras (UNAH) and the College of Civil Engineers of Honduras. Non-Honduran candidates must first present their foreign license and then successfully pass an examination administered by UNAH and finally, register with the College of Civil Engineers of Honduras.

2. Yes. It is the "Colegio de Ingenieros Civiles de Honduras," Barrio El Olvido, Calle J.R. Molina, Tegucigalpa, D.C., Honduras. It has a membership of 643 of which 590 are active.

3. The U.S. consultant must have a local representative. The local representative may either be a U.S. citizen or a Honduran national. The U.S. consultant must also register with the College of Civil Engineers of Honduras.

4. At the present time there is no requirement regarding the extent to which local participation must be involved in a contract with a U.S. consulting engineer; however, the matter is under study. There are no requirements regarding the extent of local employee participation.

5. It is not the practice to request consortium or "turnkey" bids. Contracts are both negotiated and price bid. It is possible to adopt negotiated contracts preceded by prequalification. Contracts do not routinely provide for the settlement of disputes by international arbitration. Prebid financial guarantees are routinely required, most often these are in the form of bid bonds.

6. There is no discrimination against U.S. consulting firms.

Honduras

7. The Honduran lempira is freely convertible to U.S. dollars, and can be freely repatriated.

8. U.S. consulting engineering firms are required to pay the same local taxes as local engineering firms. The corporate tax rate in Honduras varies from a minimum of 3% on a taxable income of less than US$2,500 to a maximum of 40 percent on taxable income of more than US $500,000. The U.S. consultant can organize as an overseas branch of his U.S. firm, but probably would not realize an economic advantage by doing so.

9. The U.S. consultants' expatriate employees are liable for taxes. Local tax laws should be consulted. Importers of equipment for use on a project must post a bond with Honduran customs authorities which may be recovered upon export of the equipment. Imports of materials are subject to duties if they are to be used for nongovernment projects. Imports of personal effects of the consultants' employees are not liable to duties if the employees do not become legal residents of Honduras.

10. "Servicio Autonomo Nacional de Acueductos y Alcantarillados"—water supplies and sewage.

"Ministerio de Obras Publicas y Comunicaciones"—roads.

"Empresa Nacional de Energia Electrica (ENEE)"—electrical energy.

"Ministerio de Educacion Publica"—public education.

"Ministerio de Recursos Naturales"—agricultural development projects.

"Ministerio de Salud Publica"—hospitals & health care programs.

11. The official and commercial language is Spanish. However, large firms are usually able to correspond in English. The metric system has been officially adopted as the basis for weights and measures. However, U.S., and to a lesser extent, Spanish, systems are still commonly used.

12. For each dollar of take-home pay, the employer pays approximately $1.50 in social costs.

Hong Kong

1. Engineers are not required to have a license, but they must register with the Building Authority. There are 240 authorized persons (formally known as architects), 171 engineers and 7 surveyors in the Colony of Hong Kong.

2. The Hong Kong Institution of Engineers, G.P.O. Box 13987, Hong Kong, with a membership of 3,024; and, The Hong Kong Institute of Architects, 10th Floor, Cheung Sun Building, 52 Wellington Street, Hong Kong, with 310 members.

3. A U.S. consulting engineer not resident in Hong Kong must have a qualified and authorized representative resident. The local representative may be a resident U.S. citizen. Building Ordinance and Building Regulations list responsibilities of authorized architects and engineers. The local representative would have to qualify as such. To establish local representation, U.S. consultants must register with the Business Registration Office of the Hong Kong Government.

4. There are no legal requirements regarding local participation in a contract, and no requirements exist that set standards for local employee participation.

5. It is not the usual practice to request "turnkey" bids, but there are no legal objections. It is essential that the registered architect or engineer accepts full responsibility for the work. Contracts with consulting engineers and architects are usually negotiated. To settle a contract dispute, arbitration procedures would have to adhere to the Hong Kong Arbitration Ordinance. For prebid financial requirements, a performance bond will have to be signed or bank guarantees, as necessary.

6. There is no formal discrimination against U.S. consulting engineering firms, but in actual practice, United Kingdom firms have an advantage.

7. There are no restrictions on converting currency or repatriating fees.

8. All practicing engineering consultants and their employees resident in Hong Kong are required to pay corporate and other local taxes on income originating in Hong Kong. Corporate and individuals pay profit tax at the standard rate of 15%, subject to certain exemptions and deductions. No tax is payable on total profits of less than HK$10,000. A separate salaries tax is payable at a graduated rate from 5% on the first HK$10,000, less deductions to 25% on HK$50,000. There are three tax brackets between the minimum and the maximum. The excess income over HK$50,000 is taxed at a rate of 30%. However, tax charged cannot exceed 15% of the total income less allowable expenses. Property tax is payable at a net rate of 15%, less an allowance of 20% of the rateable value for repairs and maintenance. There is no economic advantage if an U.S. firm organizes an overseas branch in Hong Kong since it would have to pay the same taxes at the same rates.

9. See 8. above for discussion of tax liabilities. Customs duties are not levied on any imported items other than liquor, tobacco and petroleum, but Hong Kong import licenses are required.

10. Usually, the Hong Kong Government employs United Kingdom consulting engineers on major projects and local practicing engineers on smaller ones. Engineering firms should register with the Public Works Department as it invites most Government tenders.

11. English is the official language and it is readily understood in commerce. The British Imperial system of weights and measures is used.

12. Social costs are limited to Workmen's Compensation that requires a payment at the rate of two-thirds of the temporary incapacitated workman's monthly earnings and a sum equivalent to 48 months' earnings subject to a maximum of HK$60,000 and a minimum of HK$9,600 should the workman be permanently incapacitated.

ICELAND
EMBASSY: Reyjavik
Laufasvegur 21, FPO NY 09571
Tel. 24083

INDIA
EMBASSY: New Dehli
Shanti Path
Chanakyapuri 21
Tel. 70351

CONSULATE GENERAL:
Bombay
Lincoln House, 78 Bhulabhai
Desai Rd.
Tel. 363611-363618

CONSULATE GENERAL:
Calcutta
5/1 Ho Chi Minh Sarani
Tel. 44-3611-44-3616

CONSULATE GENERAL:
Madras
Mount Rd.-6
Tel. 83041

INDONESIA
EMBASSY: Jakarta
Medan Merdeska Selaton 5,
APO San Fran 96356
Tel. 40001-9

CONSULATE: Medan
Djalan Imam Bondjol 13
Tel. 22290

CONSULATE: Surabaya
Djalan Roya Dr. Sutomo 33
Tel. Selatan 836, 837,
Darmo 7545

IRAN
EMBASSY: Tehran
260 Ave. Takti Jamshid,
APO NY 09205
Tel. 824-001, 820-091,
829-051

CONSULATE: Isfahan
Trade Ctr Bldg., Rm. 201-203,
Corner Pahlavi & Chahar Bgh
Blvds.
Tel. 32079-9

CONSULATE: Shiraz
Charkhabi Bldg., Bagh Eram
Ave. (Near Eram Garden) P.O.
Box 500
Tel. 32023-4

CONSULATE: Tabriz
Shahnaz Ave.,
APO NY 09205
Tel. 2101, 5487

IRAQ
EMBASSY: Baghdad
(Temporarily Closed)
Mansur St.
Tel. 34171

U.S. INTERESTS SECTION:
Belgian Embassy
77/21 Nidhal St.,
Nafeh Ben Aqaba Circle
Baghdad
Tel. 96138/9

IRELAND
EMBASSY: Dublin
42 Elgin Rd., Ballsbridge
Tel. Dublin 688777

ISRAEL
EMBASSY: Tel Aviv
71 Hayarkon St.
Tel. 54338
Telex. 03-2476

ITALY
EMBASSY: Rome
Via v. Veneto 119
APO NY 09794
Tel. 4674

CONSULATE GENERAL:
Genoa
Banca d'America e d'Italia
Bldg., Piazza Portello 6,
Box G, APO NY 09794
Tel. 282-741 thru 282-745

CONSULATE GENERAL:
Milan
Piazza della Repubbblica 32,
APO NY 09689
Tel. 652-841 thru -845

CONSULATE GENERAL:
Naples
Plazza della Republica 80122
Naples, Box 18, FPO NY 09521
Tel. 660966

CONSULATE GENERAL:
Palermo
Vaccarini 1
Tel. 29-15-32

CONSULATE: Florence
38 Lungarno Amerigo Vespucci
APO NY 09019
Tel. 298-276

CONSULATE: Trieste
Via Valdirivo 19 (4th fl)
APO NY 09293
Tel (040)68728, 29

CONSULATE: Turin
Via Alfieri 17, Box T
APO NY 09794
Tel. 543-600, 543-610,
513-367

IVORY COAST
EMBASSY: Abidjan
5, Rue Jesse Owens Boite
Postale 1712
Tel. 32-46-30

JAMAICA
EMBASSY: Kingston
No. 43 Duke St.
Tel. 932-6340

JAPAN
EMBASSY: Tokyo
13-go, No. 14 Akasaka 1-chome
Minato-ku, APO San Fran 96503
Tel. 583-7141
Telex. 2422118

CONSULATE GENERAL:
Naha, Okinawa
No. 2129, Gusukuma, Urasoe
City, APO San Fran 96248
Tel 0988-77-8142, 0988-77-8627

CONSULATE GENERAL:
Osaka-Kobe
APO San Fran 96338
Tel. (Osaka) (06)341-4250,
(Kobe) (078)331-6865/8

CONSULATE: Fukuoka
5-26 Ohari 2 chome, Chua-ku,
Fukuoka-shi 810, Box 10
FPO Seattle 98766
Tel. (092)751-9331

CONSULATE: Sapporo
North 1 West 13,
APO San Fran 96503
Tel. 221-5121/3

JORDAN
EMBASSY: Amman
Jebel Amman
Tel. 44371-7

Iceland

1. Practicing engineers are not required to have a license. Foreign engineers may practice in Iceland provided they have obtained a work permit, which is issued by the immigration authorities.

2. The Association of Chartered Engineers in Iceland, Brautarholti 20, Reykjavik, has 606 members in the following disciplines: civil, 303; chemical, 81; electrical, 86; mechanical, 85; naval, 12; and other miscellaneous categories, 39. The Consulting Engineers Council of Iceland, an affiliate of FIDIC, has a membership of 52.

3. A U.S. consulting engineer is not required to have a local representative, although an Icelandic-speaking representative would be of considerable value.

4. Local equity participation must involve at least 51% of the total capital required. However, the Government of Iceland may waive this requirement, especially for a large project. While maximum local employee participation is encouraged, there exists no minimum employment requirement.

5. It is not the practice to request consortium-type or "turnkey" bids. Contracts are both negotiated and bid. It is legally possible to adopt negotiated contracts preceded by prequalification. Cash deposits to receive tender documents are not uncommon. The sum is usually less than U.S. $100 and will be refunded once bids are opened, whether the bids are successful or not.

6. There is no discrimination.

7. There are certain restrictions on the converting of currency and the repatriation of fees. By law, the Central Bank must agree to the transfer of all currency. Thus, during the contract negotiation phase, it would be advantageous to obtain approval for any anticipated currency transfers.

8. U.S. consultant firms resident in Iceland are required to pay both applicable state and municipal taxes. The effective corporate tax rate is 53.53% if the stockholder is itself a foreign corporation, but varies from an effective tax rate of 35.45 to 55.66% if the stockholder is an individual. Domestic engineering firms are required to pay the same taxes. The U.S. consultant can organize as an overseas branch of his U.S. firm provided the firm obtains a license for doing business in Iceland, and provided 51% of the ownership of such a branch is Icelandic. There appears to be no economic advantage to the formation of such a branch.

9. Expatriate employees resident in Iceland are subject to local income and other taxes to the same extent as Icelandic employees. The graduated state tax is 20 to 40%, with 40% being levied against net earnings over 750,000 kronar. The graduated municipal income tax is 12% on gross earnings. There is a Double Taxation Treaty in effect between the U.S. and Iceland. Customs duties are levied on items imported for use on a project, but are refunded once such items are shipped out of the country. Personal possessions are allowed duty-free entry.

10. Civil Aviation Administration.
Icelandic Fisheries Laboratories.
Agricultural Research Institute.
National Energy Authority.
National Power Company.

11. The official language is Icelandic. English is the primary language of international commerce. The Scandinavian languages and German may also be used. The metric system of weights and measures is used.

12. Employer-paid social costs represent about 30% of direct labor costs.

India

1. With the exception of engineers offering architectural services, practicing engineers are not required to be licensed nationally. However, some larger municipalities may require registration. Foreign engineers are required to be registered with the municipalities within whose jurisdiction they plan to practice and with the public works departments of the federal and state Governments, and the Directorate General of Technical Development of the Government of India if they are going to perform professional engineering services on official projects.

2. Institution of Engineers (India), 8 Gokhle Road, Calcutta 700020, with an estimated membership of 45,000 corporate, associate, and fellow members; and, the Association of Consulting Engineers (India), 14 Asaf Ali Road, New Dehli 110001, with an estimated membership of 80 senior level individual consulting engineers.

3. A local representative is not legally required; if engaged, preferably, the representative should be a citizen of India. If the local representative is non-Indian, the approval of the Reserve Bank of India must be obtained prior to such appointment.

4. In all foreign collaboration agreements, the Indian Government generally requires the foreign firm to associate with an Indian engineering consultancy firm to perform the project. It is the policy of the Indian Government to make maximum use of local personnel resources. Permission for use of expatriate personnel on a continuing basis is granted by the Government only under exceptional circumstances.

5. For very large projects, "turnkey" bids are generally favored. Contracts with consultants are made both by price-bidding and negotiation, the form of which is dependent on the complexity of the project and the type services being solicited. It is possible to adopt negotiated contracts preceded by prequalification. In Government contracts, dispute settlements must be arbitrated in accordance with the Indian Arbitration Act. Prebid financial requirements are generally imposed.

6. There is no discrimination reported.

7. Specific permission of the Reserve Bank of India has to be sought for the convertibility of currency and the repatriation of fees.

8. U.S. consultant firms are required to pay local corporate and other taxes on all incomes accruing or deemed to accrue in India. The corporate tax rate is 70% in the case of foreign firms that have not made the prescribed arrangements for the declaration and payments of dividends within India so as to be classified as domestic firms. The rate of corporate tax depends upon the taxable status granted to a corporate body under the Income Tax Act. The U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly. The extent of economic advantage will be determined by the type of corporate status and business activity.

9. Individual taxation is on a "slab" basis and is subject to change annually as a result of the annual Indian Finance Acts. U.S. companies would be well-advised to obtain such information from the Central Board of Direct Taxes, Ministry of Finance, New Dehli, as and when required. Expatriate technical personnel may be granted specific tax exemption by the Indian Government for periods up to 24 months. Customs duties are routinely levied on items imported not intended for resale.

10. Ministry of Steel and Heavy Engineering.
ministry of Petroleum and Chemicals.
Ministry of Defense.
Ministry of Works, Housing, and Urban Development.
Ministry of Engergy.

11. The official language is Hindi, but English is widely used. The metric system of weights and measures is used.

12. Fringe benefits for blue-collar workers amount to an additional 50% over basic wages in labor costs. In a few industries, the incidence of fringe benefits could be as high as 100%. Fringes benefits for salaried employees range between 40 and 50% in labor costs.

Indonesia

1. No engineers are required by law to be licensed to practice. Foreign engineers; however, must have a work permit to practice in Indonesia. These permits are obtainable from the Department of Labor and Manpower with approval from the technical department responsible for the field in which the work is to be done.

2. There is neither a professional, nor a consulting, engineering society in Indonesia.

3. A foreign consulting engineering firm must be in a joint venture with a local company for projects financed by the Government or local private capital, in accordance with a decree issued by the Ministry of Public Works in 1968. However, while the joint venture requirement is still technically valid, in practice it is sometimes negotiable. Foreign investors may bring in consulting engineers without regard for joint venture status for specific projects. Local representation licenses and requirements are set by the Government of Indonesia Department of Trade, or by the governmental agency which is responsible for the technical field in which the foreign firm intends to work, except for MIGAS, which has stopped accepting new registrations.

4. There is no specific requirement regarding the amount of local participation in contracts with U.S. consultants. This is a negotiable item when the contract is made.

5. "Turnkey" contracts are becoming increasingly popular, but are not always requested. Contracts are usually negotiated, but price bidding also occurs, especially when the lending financial institution requires it. It is possible to adopt negotiated contracts preceded by prequalification when contracting by price bidding occurs. Contracts routinely provide for the settlement of disputes through international arbitration. There are no special prebid financial requirements except when the Government of Indonesia wishes diversity in its sources.

6. There is no discrimination practiced.

7. There are no exchange control restrictions affecting the convertibility of currency and the repatriation of fees.

8. U.S. consultants are liable for local taxes, but: (1) rates are negotiable, (2) a general 5% sales tax is also paid, and (3) engineering services are considered to be technology, so that a 20 percent royalty tax may be assessed on offshore service contracts. Corporate profits are taxed at a rate of 20% on the first Rupiah (Rp.) 10 million; projects over Rp. 10 million are taxed at a rate of 45%. In addition, there is a "Divident Tax" amounting to 20% of corporate net income after taxes. The U.S. consultant may organize as an overseas branch of his U.S. firm provided he registers with the appropriate Government agency. Such registration is becoming more difficult, but is still possible. There would be no economic advantage with respect to taxation since tax laws are the same for both foreign and domestic firms.

9. U.S. consultants' expatriate employees are liable for local taxes. The lowest individual income tax rate is 10% on income of less than Rp. 100,000. This tax rate increases with income in 18 steps to a maximum of 50% on income over Rp. 7.5 million. Duties on equipment and materials depend on the project's tax status and are negotiable. Personal effects of expatriate employees are permitted duty-free entry subject to certain restrictions.

10. MIGAS — oil and gas.
PLN — electric power.
"Bina Marga" — road construction.
Departments of Communications, Agriculture, Industry, and Public Works.

11. The official language is Indonesian. English and Dutch are used in commerce. The metric system of weights and measures is used.

12. Social costs paid by employers are highly variable and are dependent on many factors. Usually they add about 30 to 40% to direct costs for labor.

Iran

1. There is no licensing requirement for practicing engineers in Iran. However, foreign engineers must have work permits from the Ministry of Labor and Social Affairs before they may operate in Iran. Furthermore, all engineering firms desiring to be considered for Government projects must be registered with the Plan and Budget Organization. Registration forms may be obtained by writing to the Directorate for Consultant and Specialist Affairs, Room 305, Plan and Budget Organization of Iran, Ateshkadeh Avenue, Tehran, Iran.

2. The Iranian Society of Consulting Engineers has 156 company and individual members. Correspondence may be addressed to Engineer Etehadieh, President, Society of Consulting Engineers, Bozorgmehr Avenue No. 36, Tehran, Iran.

3. A non-Iranian individual or firm desiring to establish an engineering company in Iran must have an Iranian citizen partner. Branch offices of U.S. firms may, however, be opened and registered without Iranian partnership. Foreign companies or branch offices which receive Government contracts are normally required to affiliate with a local firm, though this affiliation can be an informal association.

4. The Iranian partner must hold at least a 50% share in any engineering firm established in Iran. There is no requirement for local employee participation, although work permits will not be renewed if it is deemed that insufficient attention was given to the training of local personnel.

5. The Government of Iran sometimes prefers to receive comprehensive bids in which engineering services are only a part of the total package. On purely engineering awards, negotiated contracts are common, even in cases where the project was initially subject to competitive bidding. International arbitration is not a routine method of settling disputes. Large contracts normally require substantial bank guarantees.

6. There is no discrimination or regulations limiting the activities of foreign consulting firms other than those already discussed.

7. Foreign exchange controls in Iran were rescinded in 1974. There is little likelihood that Iran will reimpose controls adversely affecting foreign companies engaged in legitimate business activities in Iran.

8. Branches of foreign companies doing business in Iran are subject to tax at the same rates as those paid by nonresident registered shareholders of a domestic company. As a general rule, all payments made to foreigners are taxed according to rates ranging between 15 and 60%.

9. Foreigners working in Iran are subject to Iranian taxes with respect to all income earned in Iran. Individuals are taxed at rates varying between 10 and 55%. In addition, there is a surtax of 10% on the amount of taxable income in excess of 1,320,000 rials per annum. Customs duties and Commercial Benefit Tax (CBT) are levied on all equipment and materials imported into Iran. The importation of used equipment is unauthorized. Personal and household effects (except automobiles) belonging to foreigners entering Iran to work are exempt from customs duties and CBT in accordance with the terms of the work permits granted by the Government.

10. Plan and Budget Organization.
Ministry of Agriculture and Natural Resources.
Ministry of Power.
Ministry of Roads and Transportation.
Ministry of Posts, Telegram, and Telephone.
Ministry of Housing and Urban Development.
Ports and Shipping Organization.
Industral Development and Renovation Organization.

11. The official language is Farsi (Persian). English is the most common foreign language used in commerce, followed by French and German. The metric system of weights and measures is used.

12. Fringe benefits amount to an additional 35 to 40% of basic wages in most Iranian labor contracts.

Iraq

1. Both Iraqi and foreign engineers must be licensed. There are about 12,000 licensed engineers practicing in Iraq. The Iraqi Union of Engineers is the licensing authority.

2. The Iraqi Union of Engineers. The present address and membership of the Union is unknown.

3. No contracts may be awarded to foreign engineering firms not having established branches in Iraq unless: (1) a branch office is established in Iraq within 3 months of the award of the project, or (2) the foreign firm arranges a joint-venture with an Iraqi counterpart in a partnership agreement concluded for this purpose. A copy of the agreement must be filed with the Iraqi Union of Engineers. It is not necessary to have a local representative to obtain business in Iraq. In fact, many governmental agencies prefer negotiating directly with foreign principals.

4. Fifty percent of the engineers working for a foreign consulting firm established in Iraq must be Iraqi nationals. When operating as a joint-venture, the agreement shall provide for the sharing of responsibilities jointly between the foreign firm and the Iraqi firm, and the participation of the Iraqi firm shall not be less than 25%.

5. Most recent Iraqi contract awards on large projects have been of a consortium or "turnkey" nature. More often than not, contracts are let by price-bidding, but ultimately are negotiated by bargaining with a number of the firms which presented the lowest initial bids. Contract terms do not routinely provide for international arbitration of disputes. Most tenders require cash deposits or bank guarantees amounting to about 4 to 8% of the bid. Bid bonds are not acceptable.

6. While there is no discrimination against U.S. consultants, consulting engineers of other nations may enjoy some preference as a result of economic cooperation agreements between their Governments and the Government of Iraq.

7. There are extensive exchange control provisions which restrict the flow of profit and capital out of Iraq; one provision limits the remittance of profits of companies and institutions which render services to 50% of the paid-up capital.

8. Both U.S. consultant firms and domestic firms are required to pay the same local taxes. The taxable income of a branch in Iraq is subject to a graduated tax rate of 15 to 60%.

9. Nonresident employees of U.S. consultants who visit Iraq periodically would be subject to Iraqi income tax on the income earned in Iraq at a progressive rate ranging from about 30% on a taxable income of U.S. $10,000 to 75% of an income of about U.S. $45,000. Goods up to a value of 2,000 Iraqi dinars may be imported duty-free.

10. The number of Government agencies that employ consulting engineers is very large. A partial listing follows:

Ministry of Communications—construction of highways, bridges, airports, telephone systems, airways.

Ministry of Industries — industrial planning and construction, oil pipeline construction, mineral surveys, construction and operation of power-plants and networks.

Ministry of Agrarian Reform—photomapping, design and construction of dams and irrigation systems.

Ministry of Municipalities and Works—construction of public buildings, city planning, water and sewerage projects.

11. Arabic is the official and dominant language. English is the second language and is used in business and Government. The metric system is the official system of weights and measures, but some local weights and measures are still used frequently.

12. Social costs paid by the employer are variable and may range up to 50% over take-home pay.

Ireland

1. Practicing engineers are not required to have a license. There are about 5,000 graduate engineers in Ireland. Foreign engineers do not require a license, but would need a work permit from the Department of Labor.

2. The Association of Consulting Engineers of Ireland, 22 Clyde Road, Dublin 4, with a membership of 92.

3. A U.S. consulting engineer is not required to have a local representative in order to practice in Ireland.

4. There are no legal requirements for local participation or local employee participation in contracts with U.S. consulting engineers.

5. The usual practice in Ireland is to advertise in the newspapers when the services of a consulting engineer are required for a particular project. Engineers then submit bids based upon a scale of minimum fees drawn up by the Institution of Engineers of Ireland.

6. There is no discrimination. The services of foreign engineers are sought only when projects require highly specialized services that are not available locally.

Ireland

7. There are no restricitions affecting the convertibility of currency or repatriation of fees, but an application for dollar currency must be made with the foreign exchange section of a local bank.

8. Local and foreign firms are liable for corporate tax. For profits in excess of £2,500 the rate is 23 percent. A U.S. consultant could organize an overseas branch and pay the appropriate taxes. Economic advantage would depend on the volume of his business.

9. All firms, foreign or local, occupying premises in Ireland are required to pay local taxes. The standard rate on personal income is 35% on taxable income after allowable deductions. The property tax rate charge on each pound Sterling valuation of property is determined annually by local authorities. The present rate in Dublin is £7.00 on the pound. Customs duties and Value Added Tax are applicable to imports of equipment and materials. There are some provisions for importing free of duty under license from the Department of Industry and Commerce. Personal possessions would not be liable for duties or taxes.

10. The departments of Local Government (housing, physical planning, roads), Posts and Telegraphs, and Board of Public Works, are the principal employers of engineering skills.

11. The official languages are Gaelic and English. The commercial language is English. The International (Metric) System of weights and measures is used.

12. The percentage of fringe benefits in relation to take-home pay is comparatively small, amounting to about 12% in the form of vacation, holidays, and sick leave. Employers are not required to pay social security or unemployment in surance for employees. Year-end bonuses and retirement benefits to which the employer contributes are the rule, rather than the exception.

Israel

1. Both Israeli and foreign engineers are required by law to have a license. There are about 11,000 registered engineers in Israel. Foreign engineers including Americans, may practice in Israel only if they are registered professionally and have been issued an appropriate license from the Registrar of Engineers, Ministry of Labor, 107 Hahashmoraim Street, Tel Aviv. The minimum requirement is a B.S. degree in engineering or architecture from a recognized university or institute.

2. There is one professional and consulting engineering society in Israel, the Association of Consulting Engineers and Architects, 200 Dizengoff Street, Tel Aviv, which has a membership of 1,000. It is part of the General Association of Engineers and Architects in Israel (AEAI) whose membership is 11,000.

3. Existing law does not require a foreign consulting engineer to have a local agent or representative. To establish local representation, registration with the Registrar of Engineers is required.

4. Generally, foreign consultants are not encouraged to operate in Israel unless they possess engineering expertise which is unknown to local sources. If permitted to practice, preference is given to joint ventures or partnership with local firms. The extent of local employee participation depends on the degree of U.S. expertise required for the project. Generally, local talent is available at cheaper wage rates than in the U.S.

5. It is not the practice in Israel to request consortium or "turnkey" bids. Contracts with consulting engineers are usually negotiated and rarely are bid. It is possible to adopt negotiated contracts preceded by prequalification. Disputes are generally settled by arbitrators appointed by the Chairman of the AEAI or as mutually agreed by the parties or as stipulated in the contract. Prebid financial commitments are not ususally required.

6. There is no discrimination practiced against U.S. consulting engineers.

7. There are no restrictions concerning the convertibility of currency or repatriation of fees pertaining to contracts already approved by the Comptroller of Foreign Exchange. Otherwise, neither profits nor capital can be repatriated by a foreign resident without special authorization of the Comptroller. A nonresident is permitted to withdraw all proceeds in the same currency as the original investment.

8. U.S. consultant firms are subject to the same taxes as domestic firms on all income earned in Israel. The companies' tax in Israel is 40% on all taxable income. The corporate tax is 35% on taxable income, less deductions. Dividends distributed to foreign shareholders are liable for income tax at the rate of 25%. An income tax convention has been concluded between the U.S. and Israel for the avoidance of double taxation; it is awaiting ratification by the U.S. Senate.

9. U.S. consultants' expatriate employees are subject to local income and other taxes. Personal income taxes in Israel are progressive and vary according to whether or not income is derived from personal effort or from property. Subject to certain restrictions, there are no customs duties levied on items imported for use on a project.

10. Ministry of Transport and Communications.

Ministry of Development—electric power & natural resources.

Ministry of Posts—telecommunications systems.

Ministry of Agriculture.

Ministry of Labor, Public Works Department—roads, bridges, public buildings & hospitals.

Ministry of Defense.

11. The official language of Israel is Hebrew; English is widely used in the business community. The metric system of weights and measures is used.

12. In addition to the employees' wages, the employer generally pays an additional 50 to 60% in fringe benefits.

Italy

1. Italian engineers are required to have a license to practice. An estimated 50,000 engineers are registered with 91 Provincial Engineer Orders. U.S. engineers are permitted to practice in Italy provided they meet the qualifications for Italian engineers. An Italian work permit and registration with the Order of Engineers is also required. To be eligible for registration, a U.S. engineer is required to: (1) produce evidence that Italian engineers are permitted to practice in his State of residence in the U.S., (2) submit a recognized degree in engineering to the Italian Ministry of Education, and (3) pass the Italian State Board examinations. These registration requirements do not apply to foreign citizens providing engineering services purely of an advisory nature.

2. A consulting engineer association of Italy exists with a membership of 250. Its address is: AICI,"Associazione Ingegneri Consulenti Italiani," Via XX Settembre 3, 10121 Turin.

3. U.S. consulting engineering firms practicing in Italy are not required to have a local representative.

4. There is no requirement for local participation in a contract, or for employee participation.

5. It is the prevalent practice in Italy, both in Government and private business, to request consortium or "turnkey" bids. It is not customary to seek certain services comparable to those ordinarily performed by engineers in the U.S., such as pre-bid financing plans or feasiblility studies, except for recognized authorities and/or on unusual problems in specific fields. In Government engineering and construction bids, prequalification is required through registration with the individual agency. In all cases, contracts are negotiated with engineers, and are not offered or accepted in Italy on a competitive price basis. Contract disputes normally are resolved in local courts.

6. There is no discrimination against U.S. consulting engineers.

7. Fees earned in Italy by U.S. engineers are not automatically transferrable to the U.S., but are subject to the same exchange restrictions applicable to Italian nationals. Italian organizations using services of consulting engineers domiciled in the U.S. can obtain the necessary dollar instruments upon submission of the contracts to the Italian exchange authorities.

8. Foreign legal entities are subject to the Italian corporate tax, IRPEG, which is levied at a flat rate of 25% on income produced in Italy. Italian corporate entities pay this tax on their net aggregate income. Legal entities are also subject to a local income tax, ILOR, which varies geographically from 9.4 to 14.7%. Income derived from professional services is subject to the progressive, personal income tax, IRPEF, which is levied at rates of 10 to 72%. Nonresidents pay this tax on income produced in Italy, and residents (those domiciled 6 months or more in Italy) on all earned income. A treaty between the U.S. and Italian Governments to prevent double taxation of firms and individuals has been in effect since 1956.

9. Consultants' expatriate employees are subject to the income tax, IRPEF, applicable to "residents" as mentioned in 8., but not to the local income tax, ILOR, which does not apply to income derived from wages and salaries. Custom duties are required to be paid on all items imported into Italy except for "instruments necessary for the practice of a profession" provided these instruments have been used and are imported into Italy together with personal furniture, books and household effects within 6 months from the date of registration as an Italian resident.

10. Italian Government agencies usually do not employ the services of foreign consulting engineers.

11. The official and commercial language is Italian. The metric system of weights and measures is used.

12. Fringe benefits paid by the employer are estimated to amount to about 75% of the base pay of persons employed by the Italian industry.

Ivory Coast

1. Engineers in the Ivory coast are not required to have a license. Information on the number of engineers practicing in the Ivory Coast is not available. Foreign engineers are permitted to practice without a local license.

2. Information on the existence of professional engineering organizations is not available.

3. The U.S. consulting engineer is required to have a local representative to practice in the Ivory coast except when his work is performed under a Government contract. The local representative may be a U.S. citizen who has been granted a residence permit. If the local representative is a firm, it must be registered with the "Registre du Commerce."

4. There are no legal requirements regarding local participation in a contract, and there are no specific instructions as to employee participation, but it is deemed good business practice to engage as many local citizen employees as is feasible.

5. Consortium or "turnkey" bids are occasionally asked for. Most contracts are awarded as a result of bids, although details are often negotiated. It is legally possible to adopt negotiated contracts preceded by prequalification.

6. There is no discrimination against U.S. consulting firms. The only foreign firm presently soliciting business from a locally-maintained office is French. U.S. firms have worked continuously for several years on Government-sponsored projects.

7. Persons being paid in local currency may transfer abroad up to 50% of their salaries. When these persons make a permanent departure from the Ivory Coast, they may transfer the total of their savings. Persons being paid abroad in foreign currency and wishing to establish a local currency account using funds from abroad, must establish a "convertible" account in which locally acquired local currency may not be deposited. This account may be completely converted at the end of their stay in the Ivory Coast.

8. U.S. consultant firms are required to pay all local taxes at the same rate as local engineering firms. The exception occurs when the U.S. firm has a contract with the Government and it has been granted specific exemption from these taxes. The local corporation tax is levied at a flat rate of 33% of net profits for corporations, and 18% of net profits, less exemptions, for individuals.

9. U.S. consultants' expatriate employees are liable for all local taxes, including income tax, after they have resided in the country for 6 months. Information on the rates of taxation and the levying of custom duties is not available.

10. Ministry of Economic and Financial Affairs.

Ministry of Plan — overall surveys, industrial programs, mineral development.

Ministry of Public Works and Transport.

Ministy of Construction and Urbanism — housing.

Ministry of Agriculture — rural projects.

Ministry of Post and Communications — communications.

11. The official language is French. the metric system of weights and measures is used.

12. Fringe benefits are subject to many variables and are difficult to express as a percentage of take-home pay. Generally, every employee is entitled to 2½ days of vacation for each month of service. Workmen's Compensation is assessed at 7.5% of salary and social security costs are taxed at 3% of salary.

Jamaica

1. Jamaican practicing engineers are not required by law to have a license. Foreign engineers are permitted to practice in Jamaica without a license, but they are required to obtain a work permit.

2. Professional: Institution of Engineers, Jamaica, The Professional Centre, 2A Ruthven Road, Kingston 10, with 160 registered members. Consulting: Association of Consulting Engineers, Jamaica, 2A Manhattan Road, P.O. Box 205, Kingston 5, with 34 registered members.

3. A U.S. consulting engineer is not required to have a local representative, but work permits are normally easier to obtain if the engineer has a local representative or partner. A local representative may be a resident foreigner, provided he has obtained a work permit.

4. The requirement for local participation in any contract (private, local government, or international funding) with a U.S. consulting engineer is not specified, but desirable. The extent of local employee participation varies with the contract and existing circumstances.

5. It is not the practice to require consortium or "turnkey" bids in which the engineering services are included with construction, materials and equipment bids. Contracts with consulting engineers are negotiated. Price bidding is not allowed. Contract terms generally provide for the settlement of disputes by international arbitration. No special prebid financial requirements such as bank guarantees or bid bonds are imposed for consulting engineers.

6. There is no apparent discrimination against U.S. consulting engineers.

7. There are certain requirements concerning the convertibility of currency and the repatriation of fees. Application should be made to the Bank of Jamaica.

8. U.S. consulting firms are required to pay the same local taxes as domestic engineering firms pay. The basic corporate tax on company earnings is 45% after deductions, made up as follows: company profits tax - 30%; additional company profits tax - 15%. The U.S. consultant can organize as an overseas branch of his U.S. firm and pay taxes as required. Whether he would realize an economic advantage would depend on how he is affected by the Double Taxation Treaty between Jamaica and the United States.

9. U.S. consultants' expatriate employees are subject to local income or other taxes if they are paid locally, The taxes and their rates vary according to income tax rates applicable. Under normal circumstances, customs duties are not levied on items imported which are not intended for resale.

10. Practically all Ministries employ consulting engineers from time to time. foremost among these are:
Ministry of Housing—Government housing schemes.
Ministry of Works and Communications—public works.
Ministry of Industry, Tourism and Foreign Trade—construction of hotels through National Hotels & Properties Ltd., a subsidiary of Urban Development Corporation.
Ministry of Education—construction of schools.
Ministry of Finance—feasibility studies.
Ministry of Agriculture—irrigation.
The Water Commission—water and sewage projects.
National Water Authority—water projects.

11. English is the official and commercial language of Jamaica. Both the British Imperial and metric systems of weights and measures are used.

12. The relation (expressed as a percentage) of social costs paid by the employer to take-home pay is not known.

Japan

1. Both Japanese and foreign engineers who design or supervise work on large new or medium-sized buildings must be licensed. Other engineers are not legally required to have a license, although there is a national licensing system for consulting engineers to provide them with credentials. There are about 400,000 licensed architects and 3,651 licensed consulting engineers in Japan. Foreign consulting engineers may practice without a license; however if they wish credentials from the Construction Ministry or a Prefectural Government, an examination is required. The Consulting Engineers License is awarded to those who have passed an appropriate examination by the Director-General of the Science and Technology Agency for each of 16 engineering disciplines.

2. Japan Consulting Engineers Association, Nogyo Doboku Kaikan 32-4 Shibashi 5-chome, Minatoki, Tokyo 105 with 620 members; and, Japan Civil Engineering Contractors Association, Inc., Toky Kensetsu Kaikan, 5-1 Hatchobori 2-chome, Chuo-ku, Tokyo 104 with 136 member firms.

3. An individual foreign engineer is not required to have a local representative, but a foreign firm engaging in business on a continuing basis must have a local representative and establish a registered business office. The local representative must be registered at the Ministry of Justice, and may be either Japanese or a resident alien. Any firm engaging in engineering or architectural work must also register at the Ministry of Construction or the appropriate Prefectual Government.

4. There are no legal requirements regarding the extent of local participation in contracts.

5. "Turnkey" contracting is a frequent practice. Both negotiation and bidding are practiced. It is legal to adopt negotiated contracts preceded by prequalification. Contract terms do not routinely provide for international arbitration. Bid bonds, bank guarantees and the like are usually required on large projects especially when a firm is bidding on its first Japanese contract.

6. No discrimination has been reported.

7. Current foreign exchange regulations limit the convertibility of currency. However, remittances in foreign exchange are granted automatically to foreign firms licensed for business in Japan that require the use of foreign exchange.

8. Both foreign resident corporations and nonresident corporations which have been active in Japan for a period exceeding 1 year are required to pay a corporate tax of 40% on income received from sources within Japan. A rate of 28% is imposed on foreign firms with paid-in capital or investment not exceeding 100 million yen and income under 7 million yen. The same taxes are imposed on Japanese firms and consultants. There is no legislation prohibiting the establishment of a branch office in Japan.

9. The income tax rates for foreign individuals range from 10 to 75% depending on income. Double taxation of income is avoided via an agreement between the United States and Japan. Customs duties are usually levied on items imported and used on the project. Customs duties are not levied on personal possessions or "tools-of-the-trade".

10. Ministry of Construction—city planning; river, road and housing construction and maintenance.

Ministry of Transportation—harbor and airport construction and maintenance.

Ministry of Agriculture and Forestry—farm land development and irrigation.

Ministry of Health and Welfare—water and sewerage.

Science and Technology Agency—atomic energy projects.

Japan National Railways—railway construction and maintenance.

11. The official language is Japanese. English is widely used in commerce. The metric system of weights and measures is mandatory.

12. Fringe benefits, including bonuses and retirement pay, for regular salaried employees in the construction industry are estimated to amount to 40 to 50% above basic wages.

Jordan

1. All engineers, both Jordanian and foreign, must be licensed to practice in Jordan. The Council of Ministers of Jordan (i.e., the Cabinet) must nominate candidates to the Jordan Engineering Association before it can accept them as members. In addition to the Council of Ministers' nomination, labor and residence permits and proof of the equivalent of a university degree in engineering, as well as 5 years professional experience (needed for non-Jordanians only) must be provided to the Jordan Engineering Association as part of the application for membership. Membership in this association is the equivalent of a license to practice engineering in Jordan.

2. Jordan Engineering Association, Professional Building Shmeisani, Amman, Jordan (P.O. Box 835, Amman, Jordan). All 3,750 practicing engineers in Jordan are members.

3. A local representative is required, and he must practice the same engineering discipline as his principal. The local representative may be a U.S. citizen, but he must be a legal resident of Jordan. There must be a contractual agreement between the representative and the U.S. firm, and it must be submitted to the Registrar of Companies, Ministry of Industry and Trade. Also, the local representative must be registered with the Jordan Engineering Association.

4. Local equity participation varies with the negotiated provisions of each contract. The number of Jordanian Engineers must be not less than 50% of the total number of foreign engineers employed. All nonprofessional employees must be Jordanians except in such cases where local personnel are either unavailable or not qualified.

5. "Turnkey" contracts are not solicited. Contracts are made both through negotiations and price-bidding. When the latter occurs, it is possible to adopt negotiated contracts preceded by prequalification. Sometimes contracts will specify dispute settlement through local arbitration. Special pre-bid financial commitments are routinely imposed.

6. There is no discrimination.

7. There are no exchange controls governing the convertibility currency or the repatriation of fees.

8. If the contract made with the U.S. consultant is let by the Jordanian Government or one of its agencies, local taxation is subject to negotiation. Domestic firms are required to pay the same taxes. The U.S. consultant may organize as an overseas branch of his U.S. firm. If the foreign firm registers as a regional headquarters office under "Temporary Law 46 of 1975, Registration of foreign Companies Law" and from that office conducts business only outside of Jordan, the firm and its expatriate employees are free of local income tax, and may import both office and household furniture free of customs duties. Additionally, each expatriate employee may import a private automobile duty-free.

9. U.S. consultants' expatriate employees are liable for local taxes except under circumstances as discussed at 8. above. Income tax ranges from rates of 4 to 40% on a progressive scale. There are no other direct taxes levied on employees. Customs duties are levied on goods imported except as exempted under the conditions discussed at 8. above.

10. Ministries of Tourism, Public Works, and Transportation.
Jordan Armed Forces.
Jordan Commission.
Natural Resources Authority.
Water and Sewage Authority.
Electricity Authority.

11. The official language is Arabic. English is widely used in commerce. The metric system of weights and measures is used.

12. Presently, neither social security tax nor unemployment taxes are levied in Jordan. Local laws do require a minimum 13-day paid vacation for all employees. Year-end bonuses are customarily paid and range between one and three months salary. Severance pay is legally mandated at the rate of one-half month's pay for each complete year of employment, up to 4 years. For every year thereafter, severance pay of one full month is required by law.

KENYA
EMBASSY: Nairobi
Cotts House, Wabera St.,
P.O. Box 30137
Tel. 334141

KOREA
EMBASSY: Seoul
Sejong-Ro APO
San Fran 96301
Tel 72-2601 thru 72-2619

KUWAIT
EMBASSY: Kuwait
c/o P.O. Box #77
Tel. 424156/7/8

LEBANON
EMBASSY: Beirut
(temporarily manned by a
skeleton force)
Corniche at Rue Ain Mreisseh
Tel. 361-800

LESOTHO
EMBASSY: Maseru
Kingsway, P.O. Box 333
Tel. 2666

LIBERIA
EMBASSY: Monrovia
United Nations Dr.,
APO NY 09155
Tel 22991, 22992/3/4

LIBYA
EMBASSY: Tripoli
Garden City, Shari'al-Nasr
Tel 34021-34026

LUXEMBOURG
EMBASSY: Luxembourg
22 Blvd. Emmanuel Servais,
APO NY 09132
Tel. 40123 thru 40127

MALAGASY REPUBLIC
EMBASSY: Tananarive
14 and 16 rue Rainitovo,
Antsahavola Boite Postale 620
Tel. 212-57

MALAWI
EMBASSY: Lilongwe
P.O. Box 30016
Tel 34577/34782

MALAYSIA
EMBASSY: Kuala Lumpur
A.I.A. Bldg., Jalan Ampang
P.O. Box No. 35
Tel. 26321

MALI
EMBASSY: Bamako
Rue Testard and Rue Mohamed
V
Tel. 46-63, 48-34

MALTA
EMBASSY: Valletta
2nd fl., Development House,
St. Anne St., Floriana, Malta
FPO NY 09534
Tel. 623653, 620424

MAURITANIA
EMBASSY: Nouakchott
BP 222
Tel. 520-60

MAURITIUS
EMBASSY: Port Louis
Anglo-Mauritius House,
Intendance St. 6th Fl.
Tel. 2-3218

MEXICO
EMBASSY: Mexico, D.F.
Paseo de la Reforma 305,
Colonia Cuauhtemoc
Tel. 553-3333, 525-9100
Telex. 017-73-091

CONSULATE GENERAL: Guadalajara
Progreso 175
Tel. 25-29-98, 25-27-00

CONSULATE GENERAL: Hermosillo
Isssteson Bldg. 3d Fl.,
Miguel Hidalgo Y Costilla
No. 15
Tel. 3-89-22/23/24/25

CONSULATE GENERAL: Monterrey
Avenida Constitucion 411
Poniente
Tel. 4306 50/59

CONSULATE GENERAL: Tijuana
Topachula 96
Tel. 6-1001

CONSULATE GENERAL: Ciudad Juarez
2286 Ave. 16 de Septiembre
Tel. 34048

CONSULATE: Matamoros
First St.
Tel. 2-52-50

CONSULATE: Mazatlan
Avenida del Mar
Tel. 1-26-85, 1-26-87

CONSULATE: Merida
Calle 56A No. 453
Tel. 1-60-30, 1-26-03

CONSULATE: Nuevo Laredo
Gonzalez No. 2915
Tel. 2-00-05

MOROCCO
EMBASSY: Rabat
2 Ave. de Marrakech, Box 99,
FPO NY 09544
Tel. 30361, 30362

CONSULATE GENERAL: Casablanca
8 bd Moulay Youssef
Tel. 2-605-21/23

CONSULATE GENERAL: Tangier
Chemin des Amoureux
Tel. 359-04

MOZAMBIQUE
EMBASSY: Maputo
No. 35 2nd fl., Rua Salayar
Tel. 26051/2/3

Kenya

1. All engineers practicing in Kenya are required to be registered with the Engineers Registration Board. There are about 800 engineers so registered. Temporary registration is made available to foreign engineers for a 1 year period or for the duration of a specific project for which their services have been engaged. Membership in a recognized professional society or possession of a college degree in engineering combined with suitable experience is a prerequisite for registration. In addition, foreign engineers must obtain a work permit.

2. The Institution of Engineers of Kenya, P.O. Box 41346, Nairobi, Kenya with a membership of 290.

3. A U.S. consultant is not legally required to have a local representative. However, having a local representative could be advantageous as preference is frequently given to engineers with local representatives. The local representative may be a U.S. citizen.

4. Local equity participation is not required to be involved in any contract with a U.S. consultant. The extent of local employee participation in contracts in Kenya varies with the project.

5. Consortium-type or "turnkey" bids are not often requested. Contracts with engineers are generally negotiated in accordance with the British Association of Consulting Engineers Schedules. Price bidding is not recognized as an acceptable means of making contracts. Contract terms routinely specify a mutually-acceptable party to arbitrate disputes, usually a representative of the Ministry of Works. Special pre-bid financial requirements such as cash deposits or similar devices are not routinely imposed.

6. There is no discrimination against U.S. consulting engineers.

7. Prior permission must be obtained from the exchange control authorities for converting currency or repatriation of fees. Under most circumstances, persons employed in Kenya may remit abroad one-third of their monthly earnings up to a maximum of 3,000 Kenya shillings per month. Upon leaving Kenya, they may transfer assets according to a specified schedule: 2,500 Kenya pounds upon departure, and 1,000 Kenya pounds per year for the next 5 years and the balance only through investment in Kenya Government securities for a 5-year period.

8. U.S. consultant firms are required to pay local taxes on all income derived from employment or services rendered in Kenya. The basic rate is 12.5% on all taxable income. A progressive surtax is levied on all income over 1,000 Kenya pounds. the surtax ranges from 1.5% on the second 1,000 Kenya pounds of taxable income to 50% on the sixth 1,000 Kenya pounds. A withholding tax of 20% is imposed on all payments of management fees and royalties to nonresidents. Local and foreign engineers pay the same rates of income tax. The U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly. He may realize an economic advantage by doing so.

9. U.S. consultants' expatriate employees are required to pay local income taxes (See 8. above for a discussion of these taxes). Where goods are reexported and duties were paid at the time of importation, a refund of the amount originally paid can be applied for.

10. In Narirobi, the Ministries of Natural Resources; Power and Communication; Water Development; and, Works and also the East African Railways Corporation are the prime contractors of engineering consultancy services.

11. Swahili and English are the official languages. English is the language of commerce. The metric system of weights and measures is used.

12. Fringe benefits are estimated to add an additional 15 to 20% to employers' direct labor costs.

Republic of Korea

1. Engineers and architects are required by law to have a license. A foreign engineer or architect who holds a professional license may be licensed in Korea on presentation of qualifying documents. In principle, foreign firms are subject to the same requirements as local firms. However, virtually all the U.S. firms which have offices in Korea are there on an "invited contractor" basis with AID or Armed Forces missions, and as such are not subject to the local licensing requirements and may not engage in regular commercial services in Korea.

2. No information is available about professional organizations for consulting engineers in Korea.

3. A U.S. consulting engineer is not required to have a local representative on a continuing basis. The local representative does not have to be a citizen of Korea, but may be a resident U.S. citizen. A foreigner is required to register his presence and purpose with the Ministry of Justice and to register his business with the District Court if it is conducted as a branch office of a foreign corporation, or with the District Tax Office if conducted as a private enterprise.

4. There are no requirements either for local equity or local employee participation in contracts with U.S consulting engineers.

5. Except in rare instances, contracts are let on a negotiated basis, as price bidding is considered to be an unethical practice. The practice in requesting bids varies. Recently, where private Korean capital has been involved, "turnkey" bids have been requested. No additional information on contracting procedures is available.

6. No discrimination against U.S. consulting engineering firms has been reported.

7. There are firm restrictions regarding convertibility and repatriation. Remittances are authorized in accordance with the terms of contracts with the Korean Government, or provisions of the Foreign Capital Inducement Law.

8. U.S. consultants are subject to corporate taxes unless specifically exempted under Government contract. The corporate tax rate ranges from 20 to 45%. Enterprises organized under the Foreign Capital Inducement Law may be partially exempt. Invited contractors working for the U.S. Armed Forces under the Status of Forces Agreement (SOFA) are exempt from all personal and corporate taxes. However, there are some ambiguities and it is suggested that firms obtain the services of a reputable Korean CPA and/or attorney prior to establishing offices in Korea, or prior to concluding contracts. The taxes are the same for local and foreign engineers in private practice.

9. U.S. consultants' expartiate employees are liable for local taxes unless specifically exempted by Government or SOFA contracts. Personal income tax rates are levied on a progressive scale, reaching a maximum of 55% on taxable income. No information is available on customs duties.

10. Ministry of National Construction—land, reclamation, drainage, water works, city development projects.

Ministry of Transportation—rail, highway, air, and marine transportation development and construction projects.

Ministry of Communication—wireless, telegraph, telephone, electrical and electronic communications projects.

Ministry of Commerce and Industry—industrial administration, medium and small industries, machinery, chemicals, textiles, shipbuilding, light and heavy industries.

11. The official language is Korean; however, English is widely understood. The metric system is used.

12. Fringe benefits amount to an additional 35% over take-home pay in labor costs to the employer.

Kuwait

1. Engineers seeking to establish a private practice in Kuwait are required by law to have a license. Engineers employed directly by the Government as staff members or for a particular project only are not required to have a license. The legal requirements are, basically, an acceptable engineering degree plus a minimum of 3 years of practical or field experience. Licenses are issued by the Kuwait Engineers Society. There are about 2,000 licensed engineers practicing in Kuwait. Foreign engineers are required to have a license for private practice, but are exempt from this requirement if employed on a Government project.

2. The Kuwait Engineers Society, P.O. Box 4047, Kuwait, Kuwait, is a professional organization of engineers and architects.

3. Foreign engineers are forbidden from having a local agent; however, it is permissible to form partnerships with local engineering firms.

4. No local project participation is required. The extent of local employee participation or makeup of labor force depends primarily on the available labor market. There are no legal percentage requirements for local employee participation.

5. It is not the practice to request consortium or "turnkey" bids. Consultants or architects directly or indirectly connected with manufacturers, local agents, sponsors or correspondents, and material suppliers are disqualified from bidding on Government projects. Contracts are sometimes negotiated, but are more often concluded on the basis of price bidding. It is possible to adopt negotiated contracts preceded by prequalification. Major contracts between Kuwaiti entities and foreign firms routinely provide for international arbitration. Bank guarantees or bid bonds are required on many contracts. The size of the guarantee or bond depends on the size of the contract.

6. There is no discrimination against U.S. consulting engineering firms.

7. There are no restrictions on the conversion of currency or repatriation of fees.

8. A 1955 Kuwaiti law requires payment of local corporate taxes. Income tax is assessed on a sliding scale from 5 to 50%. To date, very few foreign or local corporations have actually paid taxes, but a recent action by the Ministry of Finance may mean that foreign companies will be taxed in the future. In the Spring of 1976, a circular was sent by the Ministry to some of the foreign firms operating in Kuwait which requested those companies to provide statements on their tax situations based on the 1955 law. For information on the current status of this matter, it is best that companies contact the Commercial Office at the U.S. Embassy.

9. There are no personal income taxes in Kuwait. Permits may be obtained to import household goods and personal possessions duty-free. There is a 4% "ad valorem" tax on all other goods imported into the country.

10. National Housing Authority.
Ministry of Public Works.
Ministry of Electricity and Water.
Ministry of Interior.
Ministry of Defense.
Ministry of Planning (formerly Planning Board).
Shuaiba Area Authority.
Kuwait Real Estate Investment Consortium.

11. Arabic is the dominant language in Kuwait. English is used as a second language. The metric system of weights and measures, which was officially adopted in January 1964, is used.

12. Fringe benefits are generally much lower for non-Kuwaitis than for Kuwaiti citizens, who benefit from one of the world's most comprehensive welfare systems. Kuwaiti Government agencies are considering major changes in the country's laws regarding the benefits to be paid to employees.

Lebanon

1. Lebanese engineers are required to be licensed and be registered and accepted with the Order of Engineers in Beirut or Tripoli. The Ministry of Public Works licenses engineers; however, approval from the Order is necessary. In addition to being licensed, foreign engineers must obtain a work permit and then register with the Order. The license to practice is granted provided that the foreign engineer's country gives Lebanese engineers reciprocal treatment and provided the foreign engineer has graduated from a university accepted by the Order of Engineers and has reference of practice.

2. The Lebanese Order of Engineers and Architects, Bir Hassan, Maison de l'Ingenieur Building, Beirut, with a membership of about 3,800 principally within the civil engineering disciplines.

3. U.S. consulting engineers must have a local representative in order to practice in Lebanon on a continuing basis rather than, for example, a onetime contract under an international tender for which registration is not required. The local representative must be a citizen of the country and a qualified engineer registered with the Order of Engineers.

4. There are no regulations defining the extent of local participation, but the Secretary General of the Order advises that local employee participation should be to the maximum extent possible.

5. Consortium or "turnkey" bids are rarely requested now, but the Government favored this method in the recent past. Formerly price bidding was a general practice, but it is now being replaced by selection preceded by prequalification. Generally, prices are not negotiated, but must conform to fees defined by the tendering agency. Local Lebanese law is applicable for the settlement of contract disputes. Special prebid financial requirements such as bank guarantees, bid bonds, or other devices are routinely imposed for big projects.

6. There is no discrimination against U.S. consulting engineers.

7. Foreign capital is not subject to any special registration, and is imported and exported free of fees, taxes, or restrictions of any kind. There are no restrictions on the repatriation of fees.

8. U.S. consultants are required to pay the regular local corporate or business taxes. Income tax is assessed on the net income of income-producing establishments and ranges from 6 to 40%. A 15% municipal surtax on income tax due, as well as a 3% reconstruction surtax should be added to the calculated income tax. A U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly. He would probably realize an economic advantage by doing so since the burden of taxation is relatively light in Lebanon.

9. The expatriate employees of U.S. consultants are taxed on their net income the same as domestic engineering employees - at a rate ranging between 2 and 25% on wages and salaries earned in Lebanon. A special reconstruction tax of 3% of the tax due is levied if the amount of the tax due is over L£ 1,000 (about U.S. $315). Equipment and materials to be used on the project are granted temporary free admission upon payment of a deposit equal to the import duty corresponding to the same items. Custom duties become payable upon resale of such equipment and materials. Used household effects, if they arrive within a reasonable period after the arrival of the employee, are granted duty-free entry.

10. Ministries of Public Works; Hydroelectric Resources; Planning, Posts, Telegraphs and Telephone; Information; and, Agriculture.

11. Arabic is the language of Lebanon, but in the urban centers many persons are also fluent in French and/or English. The metric system is used throughout Lebanon.

12. Contributions to Social Security are presently 21% (and include medical insurance, social security tax, and severance pay). However, such contributions do not apply to Americans employed in Lebanon by an American firm provided the contracts of employment were signed in the U.S. It will be sufficient to establish that fact to the Lebanese Social Security Fund.

Lesotho

1. Engineers are not required by law to have a license to practice in Lesotho. Foreign engineers, however, must register with the Ministry of the Interior before they may practice in Lesotho.

2. There are no professional organizations in Lesotho for consulting engineers.

3. Under ordinary circumstances a local office would be necessary. There are no registration requirements for establishing local representatives. Therefore, the local representative need not be a citizen of Lesotho and can be a resident U.S. citizen.

4. The extent of local equity participation and local employee participation in contracts with U.S. consulting engineers is not specified by the Government of Lesotho.

5. It is not the practice to require consortium-type bids. Contracts are usually negotiated. No special prebid financial requirements are routinely imposed that would affect the costs of preproject proposals.

6. Contract provisions do not routinely contain requirements that could be discriminatory or contrary to free trade objectives. There is no discrimination against U.S. consulting engineers.

7. Transfers of local currency, the South African Rand (R), require the permission of the South African Reserve Bank. Such permission is normally granted.

8. U.S. consultants are required to pay local taxes unless concessionary tax exemptions are granted by the contract. A basic tax of R3.50 is payable by every male citizen or resident over 21 years of age. A graded tax, beginning with four rands on annual incomes of R251, rises to R100 on annual incomes over R2,000. Two additional taxes on income are: a tax that rises progressively on incomes above R600 to a maximum marginal rate of 60% for married persons and 62.5% for unmarried persons; and, a special tax on remuneration rising in steps from six rands on incomes of R251 to R60 on incomes over R2,500.

9. Individual liability for local taxes is discussed above at 8. No information is available on customs duties and levies.

10. Ministry of Agriculture.
Ministry of Commerce and Industry.
Ministry of Works and Communications.

11. The official language is English. The avoirdupois system of weights and measures is in use. Conversion to the metric system is under consideration.

12. No data are available to provide an answer to this question.

Liberia

1. The requirement for engineers to have a license is essentially "pro forma", accomplished by the payment of the registration and annual fees. No professional standards need be met. If the engineer belongs to a licensed firm, no individual license is required. The requirements for an American engineer are the same, except he must also have a work permit. Work permits are issued by the Ministry of Labor, Youth and Sports. For licensing only the payment of fees is required. For a work permit, the employer must give evidence that no qualified Liberian is available for the job.

2. Liberian Engineering Society, P.O. Box 2046, Monrovia, Liberia, relatively inactive with a membership of 80 engineers.

3. While it is not required by law that a U.S. consulting engineer engage a local representative, it would certainly be recommended. The local representative need not be a Liberian national and can be a U.S. citizen. The local representative must pay the US$500 initial fee for service for the first year and US$150 per year thereafter.

4. There is no requirement by law for local participation in contracts with foreign engineers. There is no legal requirement for local employee participation at the professional level, but it is expected that Liberian nationals will constitute nearly 100% of the employers' remaining labor force.

5. It is not the practice to request "turnkey" bids. Contracts with consulting engineers are usually competitive, although some are negotiated. Where competitive price bidding takes place, it is possible to adopt negotiated contracts preceded by prequalification in most instances. Contracts routinely provide for the settlement of disputes by international arbitration. For construction, it is normal for a bid bond or a bank guarantee of 3 to 5% of the contract to be required.

6. Contract provisions do not normally contain requirements that may be discriminatory to U.S. consultants.

7. Liberia uses the U.S. dollar, and there are no restrictions affecting convertibility or repatriation of fees.

8. U.S. consulting firms are required to pay the same taxes as domestic firms unless they are employed by, and specifically exempted by, the Government of Liberia, or unless exempted under other provisions as in certain international lending agency contracts. Corporate tax rates range from 10% on taxable income up to U.S. $10,000 to 45% on taxable income over U.S. $100,000. No economic advantage would accrue to the U.S. firm by organizing as an overseas branch.

9. U.S. consultants' expatriate employees are liable for local taxes. Personal income tax rates range from 2% on taxable income below U.S. $3,000 to 25% on taxable income over U.S. $50,000. In addition, austerity tax is levied at the rate of 4.2% on adjusted gross income, adjusted gross income is defined as gross income plus 20% for benefits. Unless specified otherwise in the contract, customs duties are levied on imported items even though they are not intended for resale.

10. Ministry of Commerce, Industry and Transportation.
Ministry of Defense.
Ministry of Lands and Mines.
Ministry of Public Works.
Ministry of Agriculture.
Liberian Development Corporation.
Liberian Housing Authority.
National Port Authority.
Liberia Water and Sewer Corporation.
Liberia Electricity Corporation.

11. English is the official and commerical language. The British Imperial and the metric systems are used with the former being more prevalent.

12. Social costs paid by the employer amount to approximately 15% above the take-home pay for locally hired blue-collar employees. Social costs for expatriate employees amount to more than 100% of take-home pay.

Libyan Arab Republic (LAR)

1. There are no licensing requirements for individual engineers, domestic or foreign, but their firms must be registered with the LAR agencies for which they wish to work. By law, foreign firms will be employed only if Libyan firms are unavailable, and may work only on projects identified in the Development Plan. Each LAR agency maintains a register of competent firms from which an inter-ministerial committee may preselect firms to bid or negotiate specific projects. Firms requesting inclusion on a register should send the following to one or more LAR ministries: proof of articles of incorporation in country of origin and membership in an appropriate professional organization; proof the chief executive is a college graduate and that key technicians have at least 10 years experience; biographic data on officers; and, other relevant company literature. Legalization of these documents by the Libyan Embassy in Washington is sometimes, but not always required.

2. No information is available.

3. A local representative is not required and is not permitted when negotiating with LAR authorities.

4. By law, branches of foreign companies may operate in Libya only if they are engaged in engineering or other permitted activities. Non-Libyans cannot be principals in any form of partnership, and joint-stock or limited liability firms must be at least 51% owned by Libyan nationals. Libyan laborers must constitute at least 90% of all workers employed and must receive no less than 80% of all wages paid.

5. "Turnkey" bids are neither required nor prohibited. Contracts are frequently negotiated from a preselected list of three to five firms and are awarded on the basis of competence. Final dispute arbitration authority must rest with the Libyan judicial system. Bids ordinarily must be accompanied by a guarantee that is about 2 to 5% of the expected value of the contract. The guarantee is returnable after a month or so. A performance bond of 10% must be posted directly with the proper agency via a Libyan bank. Contracts generally provide for withholding of 10% of the contract value until the project has passed approval of an engineering board.

6. There is no discrimination applied solely to U.S. consulting engineering firms.

7. Foreign exchange regulations permit the transfer of 60% of a foreign worker's net monthly salary abroad (90% if lodging and/or board in Libya are provided free by the employer). Other exchange transfers require Central Bank approval.

8. Libyan or foreign individual engineers and companies pay the same taxes as described in the 1973 Income Tax Law. Company income taxes range from 20 to 60%, applied to work done in Libya. There is also a Registration and Stamp Tax of 1% of the value of all contracts signed with foreign firms and a Jihad (Holy War) Tax of 4% of taxable income. A U.S. consultant can organize as an overseas branch of his U.S. firm and pay taxes accordingly, but no special advantage would accrue.

9. Individuals, whether Libyan or foreign, pay income tax of from 8 to 35 percent and a Jihad Tax of 3%. Customs duties are levied on goods imported for a project. Certain household goods and personal effects of expatriates working in Libya may be entered duty free.

10. A list of Libyan Ministries and State Companies is available from the Commerce Action Group for the Near East, U.S. Department of Commerce, Washington, D.C. 20230.

11. Arabic is the official language. All publicity, official documents, and the legal version of all contracts must be written in Arabic. In commerce, both English, and to a lesser extent, Italian are used. The metric system of weights and measures is used.

12. The 1973 Social Security Law provides for comprehensive social benefits for workers. A March 14, 1973 law provides for worker participation in the management of large companies and for a 25% share of net company profits.

Luxembourg

1. Practicing engineers are required by law to have a license. A license may be obtained upon presentation of a recognized university diploma, registration in the official list of foreign diplomas, (there is no university in Luxembourg itself), and receipt of a business license. There are about 30 licensed engineers in Luxembourg. The foreign engineer must submit to the same licensing formalities as a Luxembourg national; in addition, a foreigner must obtain both work and residence permits. No license is required; however, if the foreign engineer works for a local engineering firm. Then he need only apply for the residence and work permits. The Chamber of Commerce issues the license after the Ministry of Education approves the applicant's diploma. The National Labor Office issues work permits and the Ministry of Justice issues residence permits.

2. The Chamber of Consulting Engineers of the Grand Duchy of Luxembourg, an affiliate of FIDIC, 4, bd G.D. Charlotte, Luxembourg, with a membership of 16; and, The Association of Luxembourg Graduate Engineers, at the same address, with a membership of about 850.

3. A local representative is not required. Should one be engaged, he may be a resident U.S. citizen and need not be a Luxembourg national. The local representative is registered by obtaining a business license.

4. No local equity or local employee participation in contracts with U.S. consulting engineers is required.

5. Consortium or "turnkey" bids are frequently solicited. Contracts with consulting engineers are usually negotiated. Price bidding is rare. If price bidding occurs, it is possible to adopt negotiated contracts preceded by prequalification. Contract terms routinely provide for international arbitration of disputes, but this is normally replaced by national arbitration of the local country. Special prebid financial commitments are not generally imposed.

6. There is no discrimination.

7. There are no exchange restrictions concerning the convertibility of currency or the repatriation of fees.

8. In Luxembourg, most engineers do not form companies, but are independent professional men who are therefore subject to only income tax. The corporate tax rate varies with the form of the company established. Domestic engineering firms and their foreign counterparts pay the same taxes. It is the local practice for the employer to deduct the appropriate amount from each employee's salary and pay all taxes directly to the government. It is possible for a U.S. consultant to organize as an overseas branch of his U.S. firm and pay taxes accordingly. An economic advantage could possibly accrue as a result.

9. The consultants' expatriate employees are liable for local taxes. The graduated personal income tax ranges from 18 to 57%. The Luxembourg value added tax is generally a uniform 10% with a low rate of 5% on selected services. Customs duties are levied only on new items. Used equipment and materials as well as personal effects are granted duty-free entry.

10. The Ministry of Public Works; Department of Roads and Bridges; Department of Public Buildings; Ministry of Agriculture; and, Local and Municipal Authorities all employ consulting engineers as the occasion warrants.

11. French is the quasi-official language, but both French and German are widely used in commerce. The vernacular of the country is a Germanic language known as "Letzeburgish," basically a Germanic language enriched by French words and expressions. The knowledge of English is also widespread. The metric system of weights and measures is used.

12. The employer pays approximately 25%, the employee 10%, of take-home pay to social costs

Malagasy Republic

1. Engineers are required by law to be licensed to practice. There are about 140 engineers licensed in the Malagasy Republic. No foreign engineers are permitted to practice in Madagascar, except: (1) those having been awarded contracts as results of bids; (2) those practicing as technical advisors to Government agencies or to private Malagasy engineering firms; (3) those requested to do studies for specific missions, or to do specific engineering tasks for foreign Governments or international organizations; and, (4) those enterprises practicing under Malagasy law, i.e., headquarters in Madagascar, participation of Malagasy nationals in the capital ownership (at least 51%) and in management (the managing director should be a Malagasy citizen). Categories 1, 2, and 4 are governed by the same licensing regulations that apply to indigenous engineers. The Ministry of Labor is the licensing authority and consideration will be given after the applicant presents his diploma or other data attesting to his qualifications as well as personal (individual and/ or corporation) history statement, and registration.

2. Association des Ingenieurs de Madagascar, V.B. 54 - Ambatonakanga, Lalana Samuel Rahamefy, Tananarive, Madagascar, with a membership of about 80.

3. A local representative is required for U.S. consultants to practice in Madagascar if they are in categories 1.1 and 1.4 above. The local representative must be a citizen of Madagascar, and must be registered with the Ministry of Labor.

4. There are no legal requirements regarding local equity participation in contracts with U.S. consultants. There are no specific requirements as to local employee participation, but it is wise to hire as many local citizens as is feasible.

5. "Turnkey" bids are generally required on large scale projects. Contracts are generally made through competitive price bidding, but it is legally possible to adopt negotiated contracts preceded by prequalification. Contract terms neither routinely provide for international arbitration nor impose prebid financial requirements.

6. There is no discrimination.

7. Madagascar has strict controls over convertibility of currency and the repatriation of fees.

8. U.S. consulting engineering firms are required to pay the same local taxes as domestic firms pay. The corporate tax rate is 35%. The U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly subject to the provisions cited at 1. above. Whether an economic advantage would be realized or not would be largely dependent on the financial structure of the individual firm.

9. U.S. consultants' expatriate employees are liable for local taxes. Income tax is levied on a sliding percentage scale of 5% for annual earnings of about U.S. $6,700 to 45% of annual earnings exceeding about U.S. $16,900. Customs duties are not levied on items imported that are not intended for resale provided that the importer promises that such equipment and materials will be reexported once the project is completed. Customs duties are levied on personal possessions of the consultants' employees if these possessions do not enter Madagascar as "accompanied luggage". The "accompanied luggage" may include large shipment by air or sea of the employees' personal effects.

10. Ministere des Travaux Publics—roads, dams and public works not elsewhere listed.

Ministere du Transport, du Ravitaillement et du Tourisme—studies and construction of railroads and tourism.

Ministere du Development Rural et de la Reforme Agraire–studies and projects pertaining to agriculture, livestock and irrigation.

Direction de L'Industrie et des Mines, Ministere de L'Economie et du Commerce–studies and construction of manufacturing plants, hydroelectric power, and development of mineral resources.

11. The official language is French. The metric system of weights and measures is used.

12. Social costs add an additional 30% to the employer's direct labor costs. Included in these benefits are social security taxes; retirement fund contributions; vacation, holiday and severance pay; and, year-end bonuses.

Malawi

1. Engineers are not required to have a license in Malawi. However, all engineers wishing to practice in Malawi must register in accordance with the Engineers Act of 1965, and consulting engineers must further register in accordance with the Contractors Act. There are about 18 registered engineers in Malawi. Foreign engineers are not required to be licensed in Malawi, but may practice when registered in accordance with the previously mentioned Acts.

2. The Association of Consulting Engineers of Central Africa, an affiliate of FIDIC, is the only professional organization in Malawi for consulting engineers. No information is available on membership in this organization.

3. A foreign engineer is required to have a local representative. This requirement is a prerequisite for registration. The local representative must be suitably qualified and cannot be associated with any contracting firm in Malawi. He need not be a Malawi citizen and can be a resident U.S. citizen.

4. Local equity participation is not stipulated by law, although it is required that a consulting engineer have a suitably qualified staff, either in the Malawi office or other associated office, on which to draw. The extent of local employee participation required is not known, but it is assuming ever greater importance.

5. It is not the general practice to request "turnkey"bids. Some instances of this type bidding have arose in the past, but they were under exceptional circumstances. Contracts are generally negotiated and are often preceded by prequalification. Contracts routinely provide for the settlement of disputes by international arbitration. No prebid financial requirements are routinely required.

6. No discrimination against U.S. consulting engineering firms has been reported.

7. Governmental exchange controls apply equally to all currencies. The transfer of currency by residents is restricted, but profits and other legitimate payments by foreign companies are not affected. A U.S. citizen may repatriate the original sum of his investments at any time, together with interest, dividends, or other capital gains.

8. U.S. consultants are required to pay corporate and other personal tax on income derived from a source within Malawi at the same rate as domestic firms. Corporate income tax is levied at a flat rate of 40% on net profits. A U.S. consultant can organize as an overseas branch of his U.S. firm and pay taxes accordingly, but no economic advantage would result.

9. U.S. consultants' expatriate employees are subject to a graduated personal income tax on income derived from a source within Malawi. Customs duties are not levied on employees' personal possessions. All project equipment, supplies, and material are subject to customs duties unless advance exemption is obtained from the Government of Malawi.

10. Public works contracts are generally negotiated by the Ministry of Works and Supplies.

11. English is both the official and commerical language. The British Imperial System of weights and measures is used.

12. Social cost paid by the employer for salaried and wage workers amount to about an additional 20% above take-home pay. Included in the salaried staff benefits are payments for tax, vacation pay, and certain health benefits. Additional noncompulsory benefits such as annual bonuses and retirement contributions could significantly add to these costs. When casual labor is employed far from home, it is to be provided with housing, food, transportation, and certain health benefits. Under these conditions, the fringe benefits for blue-collared workers could become as much as 70% of take-home pay.

Malaysia

1. With the implementation of the Registration of Engineers Act 1976, practicing engineers in all disciplines are required to register in order to practice. There are about 3,500 professional engineers registered with the Board of Engineers. Foreign engineers are required to register in order to practice in Malaysia. The Government agency responsible for registration is the Board of Engineers. The address is as follows: Board of Engineers, c/o Public Works Department Headquarter, Jalan Tun Ismail, Kuala Lumpur, Malaysia. The eligibility requirements for registration will be corporate membership in the Institution of Engineers (Malaysia), or in the judgement of the Board, the equivalent of such membership; or the practice of a consulting engineering business immediately before the commencement of the Act.

2. There are 79 members representing 41 firms in the Association of Consulting Engineers Malaysia. Its address is as follows: Association of Consulting Engineers Malaysia, P.O. Box 2128, Kuala Lumpur 01-02, Malaysia.

3. The Malaysian Government requires that foreign consulting engineers operate in conjunction with a local representative, who may be either a citizen or a resident foreign national.

4. The extent of local equity participation and local employee participation is not defined by Malaysian law.

5. It is not the policy to request consortium or "turnkey" bids, which are accepted only in extremely rare cases. Contracts are normally bid and do not routinely provide for the international arbitration of disputes. Special prebid financial requirements are not allowable.

6. There is no discrimination practiced against U.S. consulting engineers.

7. There are no restrictions on the convertibility of currency or the repatriation of fees.

8. U.S. consultant firms are required to pay local corporate and other taxes. They are liable for tax on income from sources within Malaysia at a flat rate of 40% on their gross profits. In addition, a Development Tax of 5% is imposed on any trade business, profession, or vocation, including rent from property in Malaysia. Domestic engineering firms are required to pay the same taxes. The U.S. consultant can organize as an overseas branch of his U.S. firm, but he would not realize an economic advantage with respect to taxation.

9. U.S. consultants' expatriate employees are subject to local income and other taxes. Nonresidents are taxed only on income derived from Malaysia at a flat rate of 40% without deductions for personal reliefs. Custom duties apply to all imported items whether for resale, or not, including personal possessions with the exception of a reasonable amount of personal effects.

10. Ministry of Works and Utilities
Ministry of Agriculture
National Electricity Board
Port Authorities
Ministry of Science, Technology & Environment

11. The national language is Malay. English is no longer the alternate official language, but continues to be widely used. The British Imperial System of weights and measures is still widely used. S.I. (metric) units are being introduced by stages and implementation should be completed by December, 1981.

12. Social costs paid by engineering firms amount to about 60% above take-home pay.

Mali

1. Engineers are not required to have a license to practice in Mali. Foreign engineers may practice without a license, but they must register with the Central Labor Office.

2. There are no professional organizations in Mali for consulting engineers.

3. Foreign consulting engineers are not required to have a local representative to do business in Mali.

4. Local participation in a contract with a U.S. consultant is not required, but the hiring of local employees is encouraged and expected. There are no set standards governing the level of local employee participation.

5. There is no set practice requiring consortium or "turnkey" bids in which the engineering services are included with construction, materials and equipment bids. Price bidding is the usual method employed in contracting procedures. It is possible to adopt negotiated contracts preceded by prequalification. Contract terms routinely provide for the settlement of disputes by international arbitration. No special prebid financial requirements are routinely imposed.

6. No discrimination has been reported. However, most large construction is financed by foreign assistance with contracting preference given to the donor country.

7. Mali francs are not freely convertible except into other Franc Zone currencies. However, a portion of the salary of a foreign temporary resident may be presented at the Mailian Development Bank for transfer into non-Franc Zone currencies.

8. U.S. consultants working on other than a tax-exempt project are required to pay local corporate and other taxes. The normal corporate tax rate is 25% of gross profits. Local engineers pay the same taxes at higher rates. There are no regulations prohibiting a U.S. consultant from organizing as an overseas branch of his U.S. firm and paying the required taxes. It is not known whether an economic advantage would be realized by doing so.

9. U.S. consultants working on other than tax-exempt projects are required to pay local income and other taxes. The normal rate for consultants is 25%. No customs duties would be levied on items imported not intended for resale such as equipment and material imported for use on a project, and the personal effects of consultants' expatriate employees.

10. The Ministry of Industrial Development and Public Works contracts consulting engineers for all major construction projects.

11. The official and commercial language is French. The metric system of weights and measures is used exclusively.

12. Social costs paid by the employer amount to about 33% above the workers' take-home pay.

Malta

1. Architects and civil engineers must have a warrant to practice in Malta. Other indigenous engineers are not required to have a license. The Ministry of Public Buildings and Works issues the necessary warrant to architects and civil engineers. No license is required for foreign engineers to practice in Malta, but all foreign nationals must obtain a work permit in order to be employed in any capacity. Work permits, generally granted only to key technical personnel, are issued by the Ministry of Labor, Employment and Welfare.

2. The Malta Joint Group of the Council of Engineering Institutions, 35 Sanctuary Street, Zabbar, Malta (100 members); The Malta Chamber of Architects and Civil Engineers, Palazzo de la Salle, Republic Street, Valletta, Malta (200 members); and, The Malta Association of Electrical Engineers, 27 High Street, Hamrun, Malta (150 members).

3. A U.S. consulting engineer is not required to have a local representative.

4. Local participation is not normally required. Work permits, however, are not granted for any unskilled labor when the local supply of such labor is available. There are normally no restrictions on the number of expatriates foreign engineering firms can employ on local projects so long as they possess valid work permits.

5. Bids for engineering services in general usually also cover the supply, installation, and commissioning of plant and machinery. However, consortium-type bids for consultant services in particular are not the usual practice. Both price-bidding and negotiation are used to make contracts. There is no legal obligation to contracting for engineering services through advertised bidding. It is possible to adopt negotiated contracts for engineering services, preceded by prequalification when price bidding takes place. Contracts routinely provide for the settlement of disputes by international arbitration. No special prebid financial terms are imposed.

6. There is no discrimination.

7. There are no restrictions concerning the convertibility of currency or repatriation of fees provided proper documentation is produced.

8. U.S. consultant firms operation in Malta are subject to the same taxes as local engineering firms. The standard corporate tax rate for companies is 32.5%. According to the income tax laws of Malta, the term 'company' includes both a limited liability company constituted under Maltese law and any other company which, though constituted, incorporated or registered outside Malta, carries on business or has an office or place of business in Malta. A resident company is liable to tax on the full amount of its world income. A nonresident company is liable on that part of its income which it accrues as a result of trading in Malta or income received in Malta. The U.S. consultant can organize as an overseas branch of his U.S. firm.

9. If resident in Malta, U.S. consultants' expatriate employees would be subject to local income tax and surtax rates. Both taxes are progressively graduated and vary from 10 to 32.5% depending on taxable income. No customs duties are levied on the personal possessions of the consultants' expatriate employees or on items imported for use on the project.

10. Ministry of Public Buildings and Works—public works.
Ministry of Health—hospitals.
Ministry of Education—schools.
Malta Development Corporation—industrial projects.
Telemalta Corporation—telecommunications.
Malta Electricity Board—electricity.
Ministry of Development—development projects.

11. The official languages are Maltese and English. The commercial language is English. Both the metric and British Imperial systems of weights and measures are used.

12. Fringe benefits for blue-collar workers in most industries amount to an additional 15% over wages in labor costs to employers. Fringe benefits for salaried employees amount to an additional 20% in labor costs.

Islamic Republic of Mauritania

1. Engineers are not required to be licensed. Mauritania accepts an American engineering degree or professional certificate in lieu of licensing. Foreign engineers must have authorization from the Mauritanian Government to enter and reside in the Republic. Such authorization in the form of a multiple entry visa may be obtained by a U.S. engineer from the Mauritanian Embassy in Washington by presenting proof that he has been engaged to perform work in Mauritania.

2. There is neither a professional, nor a consulting, engineer society in Mauritania.

3. Foreign consulting engineers are not required to have a local representative, but it may be desirable to do so. The local representative can be a U.S. citizen, however a Mauritanian national may be preferable. A foreign company doing business in Mauritania must be registered with the Chief Clerk of the Tribunal of Nouakchott. Application for registration is approved by the Director of Commerce of the Ministry of Commerce, Transport, and Tourism.

4. No local contract participation is required, but the Mauritanian Government requires that local employees must be hired, if available. Upon showing the nonavailability of qualified local employees, foreign personnel may be employed.

5. Consortium bids are preferred, but not required. Contracts are made by price-bidding, limited price-bidding, and negotiation. It is legally possible to adopt negotiated contracts preceded by prequalification. Contract terms routinely provide for some form of prebid financial commitment such as bank guarantees or bid bonds, as well as, providing for the settlement of disputes through international arbitration.

6. There is normally no discrimination practiced against U.S. consulting engineers, but some residual French influence predominates. Currently, the Mauritanian Government is encouraging American business participation.

Islamic Republic of Mauritania

7. Mauritania has its own national currency, the Ouguiya, which is not convertible outside the country. Currency transfers are usually approved routinely by the Central Bank.

8. U.S. and foreign consultants must obtain exemption by Government decree in order to avoid paying local taxes. Corporate taxation rates vary considerably according to the particular situation. The same variability applies to the taxation of domestic engineering firms. The U.S. consultant can organize as an overseas branch of his U.S. firm, however, it is unknown whether such an endeavor would yield an economic advantage.

9. The expatriate employees of a U.S. consultant are required to pay local taxes unless exemption is granted by the terms of the consultant's contract. Customs duties are normally levied, but can be exempt by Government decree.

10. Ministry of Commerce, Transport & Tourism.
Ministry of Industrialization & Mines.
Ministry of Fisheries.
Ministry of Telecommunications.
Ministry of Construction.
Ministry of Rural Development.
Ministry of Water Resources.
Ministry of Health.

11. French and Arabic are the official languages; French is utilized as the commercial language. The metric system of weights and measures is used.

12. Mauritanian regulations require that the employer pay an additional sum equal to 14% of the employees' take-home pay into a social security fund. It is not possible to compute the percentage cost of other social costs.

Mauritius

1. Practicing engineers must be licensed and they must be members of the Council of Registered Professional Engineers. There are about 80 licensed engineers. Foreign engineers must be licensed by the Council of Registered Professional Engineers before they can practice in Mauritius. Foreign engineers must satisfy the following criteria before they can be licensed: they must have a graduate degree in engineering; they must have at least 3 years experience; and they must pass an entrance examination.

2. Association of Professional Engineers of Mauritius, c/o M.S.I.R.I., Le Reduit, Mauritius. There are approximately 90 to 100 members.

3. A U.S. consulting engineering firm must have a local representative in order to practice in Mauritius. The local representative need not be a citizen of Mauritius, but he must have a work and residential permit. To establish local representation, the firm must comply with the law concerning the registration of foreign companies.

4. Local participation and local employee participation are not required in contracts with U.S. consulting engineers.

5. It is not the practice to require consortium or "turnkey" bids. Contracts are both price-bid and negotiated. It is possible to adopt negotiated contracts preceded by prequalification. Contract terms routinely provide for the settlement of disputes through international arbitration if arbitration is governed by the Settlement of Disputes and Arbitration Act laws. Special prebid financial commitments such as bank guarantees and bid bonds are not routinely requested.

6. There is no discrimination against U.S. consulting firms.

7. There are exchange control regulations set by the Bank of Mauritius concerning the convertibility of currency and the repatriation of fees.

8. U.S. consulting engineering firms are required to pay local corporate and other taxes if they are registered in Mauritius. The corporate tax rate is 45% of benefit. A U.S. consultant can organize as an overseas branch of his U.S. firm, but it is unlikely that he would realize an economic advantage by doing so.

9. U.S. consultants' expatriate employees would be liable for local income tax on income earned while they are residents only. The local income tax is levied according to the Income Tax Scale fixed by the Mauritius Government. Custom duties are levied on items imported which are not intended for resale such as equipment and materials to be used on the project and the personal possessions of the consultants' employees.

10. All the Government ministries employ consulting engineers, especially the Central Electricity Board, the Central Water Authority, and the Central Housing Authority.

11. English and French are the official and commercial languages. The SI metric system of weights and measures is used in Mauritius.

12. It has been estimated that fringe benefits paid by the employer range from 70 to 90% of wages and salaries.

Mexico

1. All engineers are required to be licensed. Foreign engineers must have a university degree validated by the Secretariat of Public Education and be admitted to the country as an "immigrado" with a specialist visa. There are several prerequisites to obtaining this resident status. Nonresident status may be obtained for technicians, authorizing them to work for six months with remuneration from Mexican sources, with one renewal possible.

2. The Colegio de Ingenieros Civiles de Mexico, Camino Santa Teresa No. 187, Mexico, 22, D.F., has a membership of about 4,000 and includes a section of "Ingenieros Consultores".

3. No local representative is required, especially if a contract is with the Mexican Government. An individual nonresident technician does not require local representation, but permanent residents must work for a Mexican citizen or firm. A local representative, presumably a Mexican or resident foreigner, may represent a U.S. firm which registers its contract with the Foreign Investment Commission.

4. Local participation is not required, but Government and industry will, in practice, see that the maximum level of local participation is achieved. An employee profit-sharing system has been in effect for some years.

5. The letting of consortium or "turnkey" bids is becoming less frequent. Presently, both bid and negotiated contracts are common. Contracts usually specify Mexican court jurisdiction for the arbitration of contract disputes. A certificate of deposit or financial bond, equal to 1 or 2% of the contract value, is routinely required.

6. No special requirements discriminate against U.S. consulting engineers; however, other foreign firms may be preferred as Mexico seeks to diversify its business contacts.

Mexico

7. Mexico has no exchange controls, and therefore, there are no restrictions on convertibility of currency or repatriation of fees.

8. U.S. consultant firms are required to pay local corporate and other taxes. A graduated tax applies to all income from Mexican sources. Domestic engineering firms are required to pay the same taxes. Mexico restricts foreign ownership of any local company established since the enactment of the Investment Code to not more than 49% foreign capital. A U.S. consultant would not realize an economic advantage by organizing as an overseas branch of his U.S. firm.

9. U.S. consultants' expatriate employees are subject to local taxes on all income earned in Mexico. Specifically, they are liable to a graduated income tax at rates somewhat lower than those of the U.S. Temporary importation of equipment is possible under certain circumstances upon payment of a bond. Personal effects, in reasonable amounts, are usually permitted duty-free entry.

10. The Mexican Government seldom employs foreign consulting engineers, except for solving specific problems on a short-term basis. Firms wishing to provide goods or services to the Mexican Government must register annually with the Secretariat of National Patrimony. Contracts are negotiated with the individual agencies who must justify foreign source procurement to an interagency board.

11. The official language of Mexico is Spanish. Many Mexicans speak or understand English in the larger cities and near the U.S. border. The metric system of weights and measures is used.

12. Fringe benefits have been estimated to range up to 25% of take-home pay. This percentage rate varies with specific arrangements made between the employer and the employee.

Morocco

1. Engineers must be "authorized" to practice. Authorization is granted by the Ministry of Public Works and is granted on the basis of holding a degree from a recognized school of engineering or a diploma from an institution included in the Moroccan equivalency list. Foreign engineers are subject to the same regulations. About 200 consulting engineering firms are registered in Morocco.

2. The two major professional associations are: (1) Groupement des Ingenieurs du Maroc, 5, rue de Lt. Merle, Casablanca; and (2) Association Professionnelle Ingenieurs Conseils et Bureaux d'Etudes Techniques, 2, rue Pegoud, Rabat. No information is available on memberships.

3. A U.S. consultant is not required to have a local representative, but this is recommended. If a representative is named, it is recommended, but not required, that he be a Moroccan national. Registration requirements are the same as for any business venture: inclusion in the "Registre du Commerce" of the Ministry of Commerce, and in the "Patente" with the Ministry of Finance.

4. Local equity participation is not required, but is recommended. With respect to local employee participation, a foreigner is authorized to hold a salaried position only if there are no unemployed qualified Moroccan personnel.

5. "Turnkey"bids are neither required nor prohibited. The general practice is to make a call for bids, often from preselected firms, followed by negotiations with the low bidders. Moroccan law requires contracts to be awarded to the lowest qualified bidder. It is possible to adopt negotiated contracts preceded by prequalification. Terms providing for international arbitration can be included in the contract. A bid bond of about 3% and a performance bond of about 7% are frequently required.

6. No discrimination is reported. The current climate is, if anything, favorable to U.S. bidders. To be effective however, U.S. consultants should have employees competent in the French language.

7. Foreign exchange transactions require prior authorization of the Office des Changes (Foreign Exchange Office). Contracts include provision for the free transfer of required amounts of foreign exchange.

8. U.S. consultants are required to pay the same taxes as domestic firms pay. The corporate income tax (Business Profits Tax) ranges from 40 to 48% on progressively increasing graduated scale.

9. Taxes on wages and salaries for nonresidents is levied on Moroccan income only. The annual progressive rates range from 6% on a minimum income of U.S. $750 to 36% on income over U.S. $9000. Since 1972, an additional "complimentary" tax has theoretically been applied on total net income realized, regardless of source, exceeding U.S. $5000 per year. The rate of this tax ranges from 3 to 30% and is applicable to residents only. An individual is considered legally "resident" if he is physically present in Morocco for 6 months without interruption. A double taxation treaty has been negotiated between Morocco and the United States. It is expected that this treaty will be ratified during the summer of 1976. Customs duties are levied on items to be used on a project. They are not levied on personal possessions. The double taxation treaty will permit "inter alia" for the duty free importation of equipment provided it is re-exported upon project completion.

10. A list of Moroccan Government agencies is obtainable from the Commerce Action Group for the Near East, U.S. Department of Commerce, Washington, D.C. 20230.

11. The official language is Arabic, but the commercial language is French. French is utilized widely except in courts where Arabic is mandatory. The metric system of weights and measures is used.

12. Social welfare contributions from employers generally add about 35% to direct labor costs.

Mozambique

1. Since the proclamation of Mozambique's independence from Portugal on June 25, 1975, local engineers must have a degree from the Eduardo Mondlane University or be graduated from any accredited foreign university acceptable to the Foreign Graduate's Appraisal Board of this University. Most of the 80 engineers currently estimated to be in the country work for the Mozambique Government, municipalities and private industry. There are no known private consulting engineers operating in the country. All engineers, domestic or foreign, are required to have a license in the form of a work agreement, "contrato de trabalho", with the Government or municipal agency. When any engineers are employed in private industry, their work contract must be previously approved by the Ministry of Labor.

2. There is no professional and/or consulting engineering society in Mozambique. However, an official committee headed by the Dean, Eduardo Mondlane University, has been given the responsibility of contacting and contracting prospective foreign engineers to work for Mozambique Government agencies.

3. It is not required that any foreign consulting engineering firm have a local representative in order to practice in Mozambique.

4. It is not known whether or not there are legally mandated levels of local equity participation in contracts with U.S. consultants. Employment of foreign technicians, however, is usually restricted to no more than 20% of the total employed. The Ministry of Labor determines this percentage requirement in keeping with local needs.

5. "Turnkey" bids are usually required when major development works are undertaken by the Government. Contracts with engineers may be negotiated by special agreement depending on the project. If price bidding takes place, it is possible to adopt negotiated contracts preceded by prequalification. Contracts routinely provide for international arbitration and similarly impose special prebid financial requirements like bank guarantees.

6. There is no discrimination.

7. There are no restrictions concerning the convertibility of currency or repatriation of fees, which may always be safeguarded by the contracting firm during contract negotiations.

8. U.S. consultants working in Mozambique are liable for local taxes. Those employed by the Government or a municipality are required to pay the supplementary income tax "imposto complementar". The professional tax rate begins at 2% on the first 80,000 escudos of taxable annual salary, rising to 10% on annual incomes in excess of 500,000 escudos. The supplementary tax is collectible at a minimum of 3% for net incomes of up to 50,000 escudos per annum and a maximum of 45% for net yearly incomes over 3,000,000 escudos. Domestic engineering firms are subject to the payment of an industrial tax, "contribuicao industrial", at 18% per annum on their net taxable income and a supplementary tax varying from a minimum of 3% to a maximum of 27.1% of their net taxable incomes. Any branch of a U.S. consulting firm domiciled in Mozambique would be subject to payment of both industrial and supplementary income taxes on the annual net incomes. An economic advantage may result to the parent U.S. consulting firm on its tax deduction claims for the operation of the overseas branch.

9. U.S. consultant expatriate employees are subject to local income and other taxes as discussed at 8. above. Exemptions from customs duties may be granted during contract negotiations, except for a one percent statistical fee collectible on an "ad valorem" basis.

10. Ministries of Agriculture; Industry and Commerce; Planning and Economic Development; and Transportation and Communication.

National Directorates of Ports and Railways, and Public Works and Housing.

11. Portuguese is the official language; however, English is widely used in commerce. The metric system of weights and measures has been legally adopted in Mozambique.

12. Social costs borne by employees are diverse and are too variable to be summarized. The Mozambique Department of Labor should be consulted for specific information.

PART VI

NEPAL
EMBASSY: Kathmandu
Panipokhari
Tel. 11199, 12718, 11603

NETHERLANDS
EMBASSY: The Hague
102 Longe Voorhout
APO NY 09159
Tel. 62-49-11

CONSULATE GENERAL:
Amsterdam
Museumplein 19,
APO NY 09159
Tel. 790321

CONSULATE GENERAL:
Rotterdam
Vlasmarket 1,
APO NY 09159
Tel. 11-75-60

NETHERLANDS ANTILLES
CONSULATE GENERAL:
Curacao
St. Anna Blvd. 19,
P.O. Box 158
Tel. 13066

NEW ZEALAND
EMBASSY: Wellington
IBM Centre, 155-157,
The Terrace, P.O. Box 1190
Tel. 722-068

CONSULATE GENERAL:
Auckland
6th fl., AMP Bldg.,
Queen St & Victoria St East
P.O. Box 470
Tel. 30-992

NICARAGUA
EMBASSY: Managua
Km. 4-1/2 South Hwy.,
APO NY 09885
Tel. 23061-8, 23881-7

NIGER
EMBASSY: Niamey
(No street address)
Boite Postale 201
Tel 72-26-61/62/63/64

NIGERIA
EMBASSY: Lagos
1 King's College Rd.
Tel. 57320

CONSULATE: Ibadan
Barclay's Bank Bldg.,
P.M.B. 5221
Tel. 24101 thru 24103

CONSULATE: Kaduna
5 Ahmadu Bello Way
Tel. 23373-7

NORWAY
EMBASSY: Oslo
Drammensveien 18,
APO NY 09085
Tel.56-68-80

OMAN
EMBASSY: Muscat
P.O. Box 966
Tel. 2021

Nepal

1. Engineers are not required by law to be licensed to practice in Nepal. Consulting engineering firms are, however, required to register with the Nepalese Ministry of Commerce and Industry.

2. Nepal Engineers Association, Ranipokhari, Kathmandu, Nepal with a membership of about 475.

3. A local representative is not required for a U.S. consulting engineering firm to practice in Nepal. Local representatives are required to register themselves with the Nepalese Ministry of Commerce and Industry as, and when, they are appointed by any foreign firm, giving information such as the name of foreign firms represented, and the extent and duration of representation.

4. No local participation in any foreign contract is required by law, but some international financial institution loan policy encourages local participation to the extent possible. There is minimal local consultancy capability, however. The Nepalese Government encourages the employment of local persons to the extent possible.

5. Calls for consortium-type bids are uncommon. Bids for "turnkey" projects are requested occasionally. Contracts with consulting engineers are made both through price bidding and through negotiation and are generally preceded by prequalification. It is possible to adopt negotiated contracts preceded by prequalification. The international arbitration of contract disputes is routinely provided for in contracts open only to international bidding. First class bank guarantees or certified checks for an amount ranging between two and one-half percent to five percent of the tender value in the form of a bid bond are generally required.

6. There is no discrimination against U.S. consulting engineering firms.

7. Conversion and repatriation of currency is permitted within limits to be arranged with the Government of Nepal. Remittance of remuneration by technicians employed in industries is permitted only up to 25%. Approval of remittance of consultant fees should be obtained from the exchange control authorities and included in the contract.

8. U.S. consultants are liable for local taxes, but the contract terms may exempt taxes for foreign firms or technicians employed in projects financed by foreign aid or foreign loans. Corporate tax rates are 10% on income up to Rs. 10,000, 20 percent on the next Rs. 10,000, 30% on next Rs. 10,000, 40% on next Rs. 200,000, 45% on next Rs. 500,000, and 51% on additional income above Rs. 500,000. Local firms pay the same taxes. A U.S. consultant may organize as an overseas branch, but he would not realize an economic advantage with respect to taxation by doing so.

9. U.S. consultants' expatriate employees are also liable for local taxes, subject to the same exceptions noted in 8. above. Individual nonresident income tax rates are the same as corporate tax rates as discussed above. Equipment re-exported at the end of the project may be eligible for a refund of customs duties. Goods imported in connection with Government projects are exempted from customs duties except for nominal one percent charge.

10. Ministry of Works and Transport.
Ministry of Water and Power.
Ministry of Food, Agriculture and Irrigation.

11. The official language is Nepali. The majority of persons in Government and commercial circles have a fair command of English, which is commonly used in foreign correspondence.

12. Fringe benefits paid by the employer generally add about 25% to direct labor costs.

Netherlands

1. Engineers are not required by law to be licensed to practice in the Netherlands.

2. Order of Dutch Consulting Engineers (ONRI), 44 Javastraat, The Hague, Netherlands, with 183 individual members and 85 company members.

3. A U.S. consulting engineer, practicing in the Netherlands is not required to have a local representative. There are no registration requirements for establishing local representation.

4. No local equity nor local employee participation need be involved in any contract with an U.S. consulting engineer.

5. It is not the practice to require consortium or "turnkey" bids in which the engineering services are included with construction, materials and equipment bids, but this form is sometimes accepted. Contracts with consulting engineers are generally negotiated. Price bidding does not take place. Contract terms do not routinely provide for the settlement of disputes by international arbitration. Special prebid financial requirements, which would affect the costs of preproject proposals, are not routinely imposed.

6. There is no discrimination practiced against U.S. consulting engineers.

Netherlands

7. There are no restrictions concerning the convertibility of currency or repatriation of fees.

8. U.S. consultant firms are subject to local corporate and other taxes. The corporate tax rate is 48%. If the taxable income is less than 50,000 Dutch guilders (Dfl.), reduced rates apply down to a minimum of 45%. Domestic engineering firms are required to pay the same taxes. An U.S. consultant can organize an overseas branch of his U.S. firm and pay taxes as required. An economic advantage will not automatically accrue; but will depend on the circumstances.

9. Expatriate employees of U.S. consultants are subject to local income and other taxes. Income tax is graduated and progressively increasing with income. It ranges from a minimum rate of 20% on incomes of Dfl. 5,412 or less, and a maximum rate of 72% on incomes in excess of Dfl. 146,596. There are eight tax brackets between the maximum and the minimum rates. Customs duties are levied on equipment and materials imported which are not intended for resale, but for use on the project. In some cases exemption is granted if the items are reexported after being used. The personal possessions of the consultants' employees are duty free. Persons leaving the country within 2 years are required to pay a security.

10. "Rijksgebouwendienst" (Public Buildings Service). "Gebouwendienst PTT" (Post Office Department Building Services).

11. The official language of the Netherlands is Dutch, but English, French, and German are widely known and frequently used in foreign correspondence. The metric system of weights and measures is used.

12. For the second half of 1976, social costs excluding holiday pay and year-end bonuses on incomes under Dfl. 35,600 amount to 46.15% of total wages, of which 25.1% is paid by the employer. The employer's share, including holiday pay and year-end bonuses, is 41.1%. For the self-employed, social costs amount to 16.7% of income. (October 1976 rate of exchange is Dfl. 2.55 to the dollar.)

Netherlands Antilles

1. Engineers are not licensed in the Antilles, but no project will be commissioned to an engineer who does not possess strong academic credentials. Foreign engineers must possess a work permit before they may offer their services in the Antilles. Work permits are granted to personnel only when there are no locally qualified professionals who possess the requisite technical expertise.

2. There s a professional organization for engineers in the Antilles, but no information is known about it except that it exists to minimize foreign competition.

3. A local representative is required before an U.S. consultant may perform under contract in the Antilles. The local representative must be an Antillian engineer or engineering firm. No information is known about registration requirements.

4. Foreign participation in projects financed by local Government is practically nonexistent and can only occur when international financing is involved or at the invitation of an Antillian firm. There are few local technicians that are qualified to participate in engineering projects.

5. Consortium-type or "turnkey" bids have been let in the past, but most projects are realized with the engineering consultant working for the owner. Contracts are made both through negotiation and price bidding, but the selection of a consultant through negotiation has had the best results. When price bidding occurs, it is possible to adopt negotiated contracts preceded by prequalification. Contract terms routinely specify the settlement of disputes by local arbitration. Prebid financial commitments are not routinely imposed unless under the terms of the contract the consultant is authorized advance payments. Under these conditions, the consultant is required to secure a bank guarantee.

6. There is no discrimination, but U.S. consultants must cooperate (joint venture) with local firms.

7. There are no restrictions regarding convertibility of currency or repatriation of fees.

8. U.S. consultancy firms are required to pay local corporate and other taxes. The corporate tax rate is levied at a flat rate of 27% on profits not exceeding 40,000 guilders (C.Fls.) and at progressively increasing rates as profits exceed this sum. The corporate tax rate reaches a maximum of 34% for profits in excess of C.Fls. 1,000,000. An additional territorial surtax of 15% is added to the corporate tax. Domestic engineering firms are not required to pay the same taxes. No information is available as to whether or not an U.S. consultant would realize an economic advantage by establishing an overseas branch of his U.S. firm.

9. The expatriate employees of U.S. consultants are liable for local income tax. No further information is available on the manner in which this tax is levied except that it is progressive with income. Customs duties may or may not be levied against materials and equipment imported for use on the project, depending on the nature of the project, the terms of financing the same, and the contract negotiated. Duties are levied on personal possessions, but at nominal rates.

10. Public Works ("Department van Welvaarszorg").

11. The official and commercial language is Dutch. The metric system of weights and measures is used.

12. Social costs paid by the employer are estimated to add about 50% to the direct labor costs for white collar employees.

New Zealand

1. Engineers must register with the Registrar, Engineers Registration Board, Ministry of Works and Development, if they wish to engage in contracts involving the expenditure of public funds. Approximately 4,000 engineers are so registered. To be eligible for registration, an engineer must give proof of the required education and experience or pass an examination approved by the Registration Board. Almost all U.S. engineers are required to take the Professional Interview of the New Zealand Institute of Engineers. U.S. degrees and diplomas are generally accepted as fulfilling the educational requirements, but an applicant must also have had three years postgraduate experience in a general field of engineering to be accepted for the Interview. After registering and paying the prescribed fee, the engineer may apply for the Practicing Certificate.

2. New Zealand Institute of Engineers, P.O. Box 12241, Wellington with a membership of 4,000; and, The Association of Consulting Engineers of New Zealand, P.O. Box 12241, Wellington with a membership of 360.

3. A U.S. consulting firm practicing in New Zealand is not required to have a local representative. (The New Zealand courts apply the principle of absolute liability, and consulting engineers are required to hold professional indemnity insurance coverage.) Requirements for registering a company in New Zealand are given by the New Zealand Companies Act of 1955 and amendments.

4. There is no legal requirement for local participation in a contract. However, local employee participation to the greatest extent possible is encouraged by the Government.

5. It is not the general practice to request "turnkey" bids. Contracts made with consulting engineers are negotiated. Contract terms normally require arbitration in accordance with the laws of New Zealand. Special prebid financial requirements are not routinely imposed, although they may be used in a particular case to ensure that bids are genuine.

6. There is no discrimination reported.

New Zealand

7. It is the policy of the New Zealand Government to allow the remittance of profits, interest, and dividends earned by overseas investors, and the repatriation of capital. However, remittances require the prior approval of the Reserve Bank and must be formally authenticated.

8. A double taxation agreement is in effect between the U.S. and New Zealand. A U.S. firm is not subject to New Zealand tax on its industrial or commercial profits unless it is engaged in trade or business in New Zealand through a permanent establishment in New Zealand. If it is so engaged, New Zealand tax must be imposed on its entire income derived from sources within New Zealand. For foreign-owned companies, the composite income tax ranges from 25 to 50%. Domestic engineering firms pay taxes at a rate of from 20 to 40%. No apparent advantage with respect to taxation would be realized by establishing an overseas branch.

9. All residents and nonresidents are liable for tax on income derived from sources in New Zealand. However, under the terms of the double taxation agreement between the U.S. and New Zealand, U.S. employees subject to U.S. tax are exempt from New Zealand tax on remuneration received for personal, including professional, services performed in New Zealand for not more than 183 days in that year and if the services are performed on behalf of a U.S. resident. Equipment for use on the project is permitted temporary entry under bond, while materials for use as an integral part of the project would be subject to duty. Personal possessions may enter duty-free.

10. Ministry of Works and Development.
New Zealand Electricity Department.
Ministry of Transport.

11. English is the official and commercial language. The British Imperial System is being replaced by the metric system. Conversion should be complete by the end of 1976, except for mechanical engineering.

12. Social costs are roughly estimated to be about 20% of gross pay.

Nicaragua

1. No engineers must be licensed to practice in Nicaragua, however, all engineers must be registered. Foreign engineers may register by submitting an application to the Ministry of Public Education, along with a notarized copy of a diploma fron an accredited university, and a certificate of good conduct from the country of last residence. The Ministry of Public Education will then have the National University of Nicaragua judge the engineering credentials submitted, and if the applicant's country or state of origin requires examination of foreign engineers, the Ministry will likewise require an examination. A foreign engineer in Nicaragua on a technical mission or hired temporarily for a single, specific project need not comply with these requirements.

2. The "Asociacion Nicaraguense de Arquitectos e Ingenieros (ANIA)" (Nicaraguan Association of Architects and Engineers), Apartado Postal No. 1408, Managua, Nicaragua, with a membership of 500 associates; and the "Camara de Ingenieros y Arquitectos Consultores (CIAC)" (Chamber of Consulting Engineers and Architects), Apartado Postal No. 3522, Managua, Nicaragua, with 25 firms associated.

3. No local representative is required. If a local representative is engaged, he need not be a citizen of Nicaragua and can be a resident U.S. citizen. The local representative must be registered with the Ministry of Public Education.

4. There are no legislative requirements for local equity participation in a contract with a U.S. consultant. Similarly, there are no legal requirements for local employee participation, but some local involvement is advisable.

5. "Turnkey" bids may be solicited if the occasion warrants. Contracts are made both through negotiation and price bidding. It is possible to adopt negotiated contracts preceded by prequalification. Contract terms routinely neither provide for international arbitration nor impose special prebid financial requirements.

6. There is no obvious discrimination practiced.

7. Nicaragua allows completely free convertibility of currency and repatriation of earnings and profits.

8. U.S. firms must pay local income and any other taxes levied on similar domestic engineering firms. The corporate tax progresses from 6% on the first U.S. $5,000, to 50% of all income over U.S. $140,000. Personal income tax is levied at the same rates as corporate tax. A U.S. consultant can organize as an overseas branch of his U.S. firm and pay taxes accordingly. He would probably realize an economic advantage, depending upon U.S. tax laws.

9. U.S. consultants' expatriate employees are liable for income tax, sales tax, property tax, excise taxes, and social security taxes. Equipment imported to be used on local projects can be brought into the country as "temporary importations", meaning that the equipment must be reexported when the work is finished. Materials to be used on local projects are not imported duty free except when related to Nicaraguan Government projects. Personal possessions belonging to the consultants' employees can be imported duty free.

10. "Ministerio de Obras Publicas"–highways, bridges, and ports.

"Ministerio del Distrito Nacional"–drainage and sewage systems.

"Vice Ministerio de Planificacion Urbana"–urban planning.

"Empresa Nacional de Luz y Fuerza"–power and rural electrification.

11. Spanish is the official language, although English is spoken by many professionals. The metric system has been adopted in Nicaragua, although the British Imperial System is widely used in construction.

12. The relation of take-home pay to social security costs paid by the employer for death benefits, sickness, medication, hospitalization, incapacitation, and retirement is 7.5%. There are no unemployment benefits. Vacation costs approximate one-twelfth of the employee's annual salary. Holiday pay and severance pay would also be added to these social costs under special circumstances.

Republic of Niger

1. Engineers must be licensed to practice. No information is available on licensing requirements. Foreign engineers may practice without a license, but they must be authorized by the Ministry of the Interior and Departmental Prefecture. To obtain authorization to practice, the foreign engineer must present his engineering certification and professional references to the aforementioned authority.

2. There are no professional or consulting engineering societies in Niger.

3. A local representative is required before a U.S. consultancy firm may practice in Niger. The local representative need not be a citizen of Niger and can in fact be a resident U.S. citizen. Authorization for establishing local representation must be obtained from the Ministry of the Interior and Departmental Prefecture. The local representative must also register with the local Chamber of Commerce.

4. Neither local equity nor local employee participation is required in contracts with U.S. consulting engineers.

5. It is common practice to request "turnkey" or consortium-type bids. Contracts with consulting engineers are most generally negotiated. It is possible to precede the contract by prequalification. Contract terms routinely provide for the settlement of disputes by international arbitration. Generally, special prebid financial requirements such as cash deposits and bid bonds are not routinely imposed.

6. There is no discrimination practiced against U.S. consulting engineers, but French firms have the advantage of language and long association.

7. All transfers of currency outside the Franc Zone must be authorized by the Ministry of Finance. In actual practice, few restrictions have been imposed.

8. U.S. consultants are required to pay local taxes except on AID-financed projects or on projects in which exemption has been negotiated in advance. The five taxes assessed are: (1) Contract Registration, 3% of the value of the contract, (2) "Patente Speciale", 1.8% of the payments received under the contract, also a city tax of 30% of the "Patente Speciale", payable to the city of Niamey; (3) "Apprentissage Tax", 19% of annual salary payments; (4) Profits Tax, 30% of net profits; and (5) Turnover Tax, 9% of payments received under the contract. Domestic engineering firms pay the same taxes. A U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly. By doing so, he may realize an economic advantage.

9. U.S. consultants' expatriate employees are liable for local taxes. A progressive income tax averaging 30% annually and miscellaneous other taxes are levied. Customs duties are not levied on AID-financed projects or on projects in which exemption has been negotiated in advance.

10. Service de Genie Rurale, Ministere du Developpement Rural–irrigation and land reclamation.

    Direction des Telecommunications, Ministere des Postes et Telecommunications–telecommunications.

    Societe Nigerienne D'Electricite–production of electricity and water.

    Direction des Travaux Publics, Ministere des Travaux Publics–all other public works.

11. The official language is French. The metric system of weights and measures is used.

12. Fringe benefits for African workers amount to an additional 22% over wages in direct costs to employers while those for European workers amount to some 90%. Fringe benefits for Europeans include company-provided housing and utilities, one free round-trip to Europe, and 2 months paid vacation per year.

Nigeria

1. Engineers must be registered with the Council of Registered Engineers of Nigeria to practice their profession. There are about 700 registered engineers. Foreign engineering firms if they desire to maintain an office in Nigeria must be registered and have a local partner who is registered. Foreign firms invited by the Government of Nigeria to perform specific projects are often not obliged to register, but the company must associate with a Nigerian firm. To register, a foreign engineer must submit copies of professional degrees, U.S. registration and experience record to the Council whose address is 45 Awolowo Road, S.W. Ikoyi, P.O. Box 5892, Lagos.

2. The Nigerian Society of Engineers, 360 Hebert Macaulay Street, Yaba, P.O. Box 2299, Lagos, with a membership of about 850 engineers; and, Association of Consulting Engineers, 13 Patey Street, Ebute Metta, Lagos, with a membership of about 500.

3. A U.S. firm or engineer must associate with a Nigerian firm that is registered with the Council of Engineers of Nigeria before work is performed in Nigeria. Foreign firms must be registered with the Ministry of Trade, Ministry of Internal Affairs, and the Ministry of Finance as well as with other Ministries responsble for the project, as appropriate.

4. The degree of Nigerian participation required under the 1977 Indigenization Decree is not completely clear. In all probability it would range between 40 and 60%. This issue should be clarified during contract negotiations.

5. "Turnkey" contracting has been used on very large projects in the past. However, in such cases, supervising consultants are usually employed also. Contracts are let through bidding, but are based in part on negotiated cost estimates. It is possible to adopt negotiated contracts preceded by prequalification. Contracts do not provide for international arbitration of disputes. Special prebid financial requirements are imposed sometimes like requesting bid bonds on design-construct projects.

6. No discrimination has been reported.

7. There are restrictions concerning the convertibility of currency and the repatriation of fees. Basically, the contract must specify that services are to be paid for in dollars. For individual income, 50% earned and paid in Nigeria may be converted and repatriated.

8. All companies established in Nigeria are subject to a 40% corporate tax on profits. Domestic firms pay the same taxes. There is a Double Taxation Treaty in effect between the United States and Nigeria. A U.S. consultant must incorporate locally or otherwise satisfy the requirements for a work permit. Opinions vary as to whether or not an economic advantage would accrue as a result of incorporating.

9. All employees are subject to the same income tax which is levied at progressive rates with a tax of 10% on the first U.S. $3,300 to 50 percent for income in excess of U.S. $50,000. Foreign employees who work in Nigeria less than 183 days in a year and who are liable for personal income taxes in another country are exempted from this tax. In practice, after deductions, most expatriates pay taxes on about 20% of income earned and paid locally. Customs duties must be paid on all equipment and material imported unless specific exemptions have been granted by the contract. Personal possessions may be imported duty free provided they arrive within a reasonable time of the employee's entry.

10. Ministry of Works.
Ministry of Transport.
Ministry of Water Resources.
Ministry of Housing, Urban Development & Environment.

11. English is the official and commercial language. The metric system of weights and measures has been officially adopted, but the British Imperial System is used unofficially.

12. Employers are required to contribute 6% of their employees' monthly pay to the National Provident Fund, and 1% of total payroll to the Industrial Training Fund.

Norway

1. Practicing engineers are not required by law to be licensed. Foreign engineers are not required to be licensed, however, they must secure both a residence and work permit to work in Norway.

2. "Den Norske Ingeniorforening," Kronprinsensgt. 17, Oslo 2 Norway; and "Norges Ingeniororganisasjon–NITO," Oscarsgt 51, P.O. Box 7062, Oslo 2 Norway. Information on the membership of these two activities is not available.

3. A local representative is not required.

4. There are no requirements for local equity or local employee participation in contracts with U.S. consulting engineers.

5. It is not the general practice to request "turnkey" bids. Separate engineering firms are usually engaged for design and construction. Contracts are negotiated. The Norwegian Association of Consulting Engineers is opposed to price bidding. International arbitration of disputes is frequently a provision of international contracts. Prebid financial requirements are not routinely imposed.

6. Discriminatory contract provisions are uncommon, if not nonexistent.

7. There are no known restrictions affecting convertibility of currency or repatriation of fees.

8. All persons domiciled or resident in Norway are liable to tax on income and capital, usually limited to income and capital from business in Norway. Income and capital taxes are levied by both the state and the municipalities. The national corporate income tax is currently 26.5%. In addition, corporations are subject to three other direct taxes: (1) the local (municipal) corporate income tax of about 20%; (2) the "contribution to the tax equalization fund" which is about 3%; and, (3) the special tax in aid of developing countries which is 1.1%. Total direct taxes on corporations thus approximate 50.6%. Norway has a "split rate" corporate tax which provides for a 24.1% tax on distributed profits compared with the 50.6% tax mentioned on retained profits. Domestic firms pay the same taxes. The U.S. consultant may organize as an overseas branch of his U.S. firm, but until the branch has been registered, directors of the U.S. corporation and of the branch office are jointly liable for debts.

9. Individuals are liable to both a state and a local income tax. The local or municipal tax is a flat rate of about 20%. The national tax rates are progressive and range from 10 to 50%. In addition, there is a 3% surtax, a 1.1% tax for aid to developing countries, and a capital tax ranging from 0.4 to 1.2% on taxable capital assets. There is a U.S.-Norway Double Taxation Treaty in effect.

10. All Government agencies engage consulting engineers as they have need for such services.

11. Norwegian is the official language, although virtually all Norwegian firms can correspond in English, Swedish and Danish. The metric system is used.

12. Employers' social welfare costs as a percentage of gross wages are estimated to be in excess of 34%.

Oman

1. Omani practicing engineers would be required to obtain a license from the Ministry of Commerce and Industry. However, at present there are no licensed Omani engineers. Foreign engineers must register with the Oman Ministry of Commerce before doing business in the country, in order to establish the credentials and basic competence of the consultants. A license is not issued to a foreign engineer.

2. There is no professional organization in Oman exclusively for engineers. There are unofficial meetings of an "Employers Club" which includes contractors and consulting engineers as its members.

3. Some consulting engineers have found it advantageous to employ a local agent who is registered with the Ministry of Commerce. However, there are no regulations which require a U.S. consultant to have a local representative to do business in Oman.

4. Neither local equity participation nor local employee participation is required in contracts with U.S. consultants.

5. Engineering services are usually included in overall project costs. Contracts with consulting engineers are generally negotiated. Prequalification procedures are not required. Contract terms routinely provide for the settlement of disputes by international arbitration. Special prebid financial requirements such as bid bonds are not used in Oman.

6. There is no discrimination against U.S. consulting engineers.

210

7. The Omani rial is a freely convertible currency. There are no restrictions on the repatriation of fees.

8. U.S. consultant firms are subject to a local income tax if the firm does private business in Oman through a branch or subsidiary. U.S. consulting firms working directly for the Omani Government are generally exempt from the local income tax. The tax rate on net corporate earnings ranges from zero on income of R.O. 0-5000 (up to U.S. $14,500) to 50% on income of R.O. 500,000 or more (U.S. $1,450,000). However, the Omani Government often offers a 5-year tax holiday and other incentives to firms involved in priority sectors of the economy.

9. There is no personal income tax on salaries or earnings. Customs duties which are no higher than 2% are sometimes levied on items to be used in a project. Personal possessions of a consulting firm's employees are generally exempt from customs duties.

10. Many Omani Government agencies employ expatriate consulting engineers for their projects. The biggest users of foreign consulting engineers are the Ministries of Defense and Communications. The Ministry of Communications uses consulting engineers for evaluation of road projects and for civil aviation projects.

11. Arabic is the official language, but English is generally used for commercial transactions in the capital area. The metric system of weights and measures is used.

12. Omani firms are generous in paying fringe benefits to local employees. Most firms pay a housing and utilities allowance of up to 50% of the basic salary.

PAKISTAN
EMBASSY: Islamabad
Diplomatic Enclave Ramna 4
Tel. 26161-26179

CONSULATE GENERAL:
Karachi
8 Abdullah Haroon Rd.
Tel. 515081

CONSULATE GENERAL:
Lahore
50 Zafar Ali Road
Tel. 81081-5

CONSULATE:
Peshawar
11 Hospital Road
Tel. 3061, 3405

PANAMA
EMBASSY: Panama
Avenida Balboa at 38th St.
Tel. Panama 25-3600
Balboa (Zone) 52-5248

PARAGUAY
EMBASSY: Asuncion
1776 Mariscal Lopez Ave.
APO NY 09881
Tel. 21041/9

PERU
EMBASSY: Lima
Corner Avenidas Inca
Garcilaso de la Vega &
Espana, P.O. Box 1995
Tel. 286000

PHILIPPINES
EMBASSY: Manila
1201 Roxas Blvd., APO
San Fran 96528
Tel. 598-011

CONSULATE: Cebu
3d Fl., Philippine American
Life Insurance Bldg., Jones
Ave., APO San Fran 96528
Tel. 7-95-10/24

PORTUGAL
EMBASSY: Lisbon
Avenida Duque de Loule No. 39,
APO NY 09678
Tel. 555141

CONSULATE: Oporto
Rua Julio Dinis 826–3d Fl.,
Tel. 6-3094/5/6, 69-0008

CONSULATE:
Ponta Delgada, Sao Miguel,
Azores
Avenida D. Henrique
APO NY 09406
Tel. 22216/7

QATAR
EMBASSY: Doha
Farig Bin Omran, P.O. Box 2399
Tel. 87701/2/3

RWANDA
EMBASSY: Kigali
Blvd. Central
Tel. 5601

Pakistan

1. Professional and consulting engineers are required to register with the Pakistan Engineering Council and obtain a registration certificate. To register, a foreign engineer is required to apply to the Pakistan Engineering Council with a registration fee. Registration is valid up to December 31 of each year, renewable yearly. Any foreigner who does not hold any recognized engineering qualification or who is a corporate member of an engineering body, may be granted a temporary license for a specific project to work as an associate of a registered professional engineer. For licensing, U.S. engineers must present a degree or diploma from those American engineering institutions accredited by the Engineer's Council for Professional Development, New York. For practice in Pakistan separate permission is required from the Department of Investment Promotion and Supplies.

2. The Institute of Engineers, Pakistan, Scheme 27 E Gulberg Market, Lahore, Pakistan.

3. It is not necessary for a U.S. consulting engineer to have a local representative, but in most cases it is advisable.

4. There are no legal requirements concerning local participation in engineering contracts, but in fact, most Government departments specify when announcing tenders that local participation is required. There is no legal requirement for local employee participation, but the Government policy is to encourage such participation to the extent possible.

5. Consortium bids are not required. Contracts are made both through negotiation and through price-bidding. Most Government agencies prefer prequalification for bidding. Contracts do not routinely provide for the settlement of dispute through international arbitration. For large and significant works, special prebid financial requirements are imposed, but these do not affect the costs of preproject proposals.

6. No discrimination has been reported.

7. Currency may be converted and fees repatriated only with the consent of the State Bank of Pakistan upon presentation of proof that prior permission to operate has been granted by the Department of Investment Promotion and Supplies. Provision for transmitting profits should be authorized by the State Bank when a contract is signed.

8. U.S. consultants are liable for local taxes if their stay in Pakistan is 180 days or longer. Domestic firms pay the same corporate tax which is levied at the flat rate of 60%. With approval of the Department of Investment Promotion and Supplies, the U.S. consultant may organize as an overseas branch of his U.S. firm. Foreign technicians employed by Pakistani industrial undertakings under contracts of services approved by Government are exempt for income tax on salary for 3 years. Their employer may pay income tax on their behalf for an additional 5 years. There is in effect a Pakistan-United States agreement on double taxation.

9. Foreign managerial and technical personnel who are temporary residents must pay a tax on income derived from Pakistani sources or from foreign sources controlled from Pakistan. Pakistan's personal income tax is calculated on a progressive basis with specified exemptions and allowances. To gain an exemption from customs duties, a pledge must be filed with customs authorities upon importation pledging the re-export of imported items.

10. Generally, foreign engineers' participation is discouraged unless particular expertise is not available locally.

11. The national language is Urdu. English is the common language of business and Government. The International (metric) System was officially adopted effective July 1, 1976, but the British Imperial System of weights and measures is still used in most private commerical establishments.

12. According to informed sources, fringe benefits have been estimated to amount to about 35% of take-home pay.

Panama

1. All engineers are required by law to possess a fitness certificate. There are about 1,500 engineers in Panama who possess this certificate. The "Junta Tecnica de Ingenieria y Arquitectura", is the issuing authority for these certificates. The fitness certificate is granted to only those foreigners whose countries allow the practice of this profession in equal terms to Panamanian citizens.

2. "Sociedad Panamena de Ingeneros y Arquitectos" (SPIA), Apartado Postal 7084, Panama, 5, Republic of Panama.

3. It is essential that there be a local representative and that he be both a citizen and a resident of Panama. For all construction contracts, both public and private, the local representative must possess a fitness certificate.

4. Local participation in a contract with a consulting firm of foreign engineers is dependent upon the nature of the contract if it is written with the Government of Panama. If the contract is with a private firm, the foreign consulting firm must associate with a Panamanian company or Panamanian engineer.

5. The Panamanian Government frequently requests "turnkey" or consortium-type contracts. The execution of the work is divided through negotiation. Generally, price bidding takes place. It is possible to adopt negotiated contracts preceded by prequalification. Contract terms should stipulate the settlement of disputes locally in accordance with the rules established by the Civil Code of Panama. Generally, special financial requirements are imposed, such as bonds of guarantee which should cover 50% of the project, or cash by a national or foreign insurance company, duly accredited in the country.

6. There is no discrimination practiced against U.S. consulting engineers.

7. There are no exchange restrictions. The balboa, which is the national currency, is at par with the American dollar.

8. Foreign consultant firms are required to pay the taxes stipulated by the fiscal code. A corporate tax rate, as such, does not exist in the country. Domestic firms pay the same taxes. The U.S. consultant may organize as an overseas branch of his U.S. company and pay taxes accordingly. Whether an economic advantage would accrue as a result would be dependent on the nature of the project.

9. The employees of foreign consulting entities, i.e., international missions such as AID, BID, ONU, are treated as diplomats; they do not pay income tax, are allowed various privileges such as entering personal effects and cars duty-free, and are exempt from municipal taxes. If the consulting services are effected in the country of origin, fees are paid with no deductions for local taxes, since the service is rendered in foreign territory. However, private consulting firms would have to pay taxes as stipulated under the income tax law. Income tax varies from 2.5% to 56%. Customs duties may or may not be levied depending on the nature of the project.

10. "Direccion de Aeronautica Civil, Corporacion", "Azucarera la Victoria," IRHE, and IDAAN are the Government offices which engage consulting engineers for public works or other types of engineering, which is generally done when there is an international loan involved.

11. The national language is Spanish; however, English is spoken freely. By law, the decimal metric system is the official system of weights and measures.

12. Employer-paid social costs average about 60% of net pay (wages and salaries). Fringe benefits included are taxes, social security contributions, unemployment taxes, death benefits, vacations, holidays, retirement and severance pay, and an extra month of pay ("decimo tercer mes").

Paraguay

1. Practicing engineers are required to have a license, which may be obtained and renewed annually for a small fee from the municipality of Asuncion. The title of "graduate engineer" from the National University is a prerequisite. There are about 250 licensed and 550 graduate engineers in Paraguay. Foreign engineers employed by the Government, or by a firm under contract to the Government, do not need to be licensed. Those wishing to engage in private practice must submit a transcript of professional education to the National University. If established requirements are met, the applicant may be registered and obtain a permit to practice from the city of Asuncion.

2. "Centro Paraguayo de Ingenieros" (Paraguayan Engineering Center), Calle Yegros esquina Pte., Franco, Asuncion, Paraguay with 442 members; and, "Camara Paraguaya de Consultores" (Paraguayan Chamber of Consultants), Calle Coronel Bogado 848, Asuncion, Paraguay with 17 members.

3. To practice locally, all foreign consulting engineering firms must be represented by, or associated with, a Paraguayan counterpart, or must open a local branch. To open a local branch, a firm must register as a new company. The majority of the partners must be Paraguayan engineers. All projects must bear the signature of an engineer licensed to practice in Paraguay.

4. Local practice usually requires a minimum of 20% local equity participation, and requires that 90% of the personnel employed be Paraguayan citizens or alien legal residents, provided such personnel are available.

5. For large projects, "turnkey" bids are usually required. Both open bidding and negotiated contracts are used. It is possible to negotiate contracts after a prequalification solicitation. As a rule, disputes must be settled through the local court system. Certain prebid financial requirements may be imposed, but are not large enough to affect substantially the costs of preproject proposals.

6. No discrimination is reported.

7. There are no restrictions concerning the convertibility of currency or the repatriation of fees; the currency of Paraguay, the Guarani, is stable.

8. All corporations, foreign or domestic, are taxed progressively at rates between 25 and 30% on net profits.

9. Engineering is classified as a "liberal profession" and is thereby exempt from personal income tax. Items not intended for resale, such as equipment and material to be used on the project, and the personal possessions of the consultants' employees enter free of duty only if public projects are involved. In the case of private projects, these goods are dutiable, except that an individual who has applied for, and received, immigrant status may import personal and household goods duty free.

10. "Ministerio de Obras Publícas y Communicacions" (Ministry of Public Works and Communications), "Calle Oliva esquina Alberdi," Asuncion, Paraguay.

11. The official and commercial language is Spanish. The metric system of weights and measures is almost used exclusively.

12. Social costs paid by employers are approximately 35% of total pay.

Peru

1. Both Peruvian and foreign engineers are required by law to have a license to practice. There are about 15,000 engineers registered in Peru. Registration of a foreign engineer requires a certified professional engineering degree from an accredited institution in the registrant's native country, a certificate from the contractor stating the position and term for which the registrant is hired, and payment of 20,000 soles registration fees. The "Colegio de Ingenieros del Perú" (College of Engineers of Peru), Av. Arequipa 4947, Lima 18, Peru, is the licensing authority.

2. Asociacion de Ingenieros Consultóres del Perú (Association of Consulting Engineers of Peru), Saco Oliveros 295, Of. 502, Lima 1, Peru, Attention Ing. German de la Fuente Herrera, Presidente.

3. A U.S. consulting engineering firm operating in Peru is not required to have a Peruvian representative, but it is advisable and advantageous to do so. In any case, a U.S. firm must have a legal representative with a power of attorney, who may be a Peruvian or a resident foreign national. There are no special registration requirements.

4. In contracts with the Peruvian Government, not less than 80% of all individuals employed by the contracting enterprise must be Peruvian nationals and they must receive at least 80% of the firm's payroll.

5. Consortium or "turnkey" bids are common practice in Peru and are the favored form of contracting. Price bidding is the most common method for obtaining engineering services in Peru. If price bidding takes place, a decision to adopt negotiated contracts preceded by prequalification is to be made case-by-case. Contract terms do not routinely provide for international arbitration. Cash deposits or bank guarantees are routinely imposed.

6. No discrimination is practiced. However, other foreign consultants enjoy a competitive position because of the practice of providing "free engineering" in a project package.

7. There are restrictions governing the convertibility of currency and the repatriation of fees. Current investment legislation is guided by Andean Common Market Regulations (Decisions 24 and 37). Decision 24 places a ceiling of 14% of direct foreign investment on net profits to be remitted abroad by foreign entities.

8. U.S. consulting engineering firms are required to pay the same local taxes as domestic firms. The corporate tax rates are based on taxable net income and range from 20 to 55%. U.S. consultants can organize as an overseas branch of their U.S. firm, but little economic advantage would accrue with respect to taxation.

9. U.S. consultants' expatriate employees are subject to local taxes. Income arising from any employment in Peru, irrespective of the nationality of the employee or his length of residence in the country, is subject to taxation. The applicable tax rates, levied after allowable deductions range from 6 to 65%. Customs duties are levied on items imported which are not intended for resale.

10. Ministry of Energy and Mines.
Ministry of Transport and Communications.
Ministry of Housing and Construction.
Ministry of Industry.

11. Spanish is the official and commercial language. The metric system of weights and measures is used.

12. The cost to employers of legally required social or fringe benefits is significant, amounting to about 58% of the basic wages of blue-collar workers and about 43% in the case of white-collar employees. However, in the specific case of blue-collar workers in the construction industry, social and fringe benefits amount to about 78% of the basic wage.

Philippines

1. Both Filipino and foreign engineers must be licensed to practice in the Philippines. Applicants must be a graduate of a course in civil engineering in a school or university recognized by the government of the state where it was established, must be of good reputation and moral character, and must be at least 21 years old. Foreign engineers must pass a technical examination administered by the Board of Civil Engineers which operates under the supervision of the Professional Regulation Commission. However, the Board will exempt U.S. engineers from the examination if the home state of the engineer grants the same rights to Philippine engineers. There are 16,315 licensed engineers in the Philippines.

2. Philippine Institute of Civil Engineers, 160-A LL Building, Corner Panay Avenue and E. Delos Santos Avenue, Diliman, Quezon City, Philippines; and, United Architects of the Philippines, Room 408 Delta Motors Sales Building, West Avenue Corner Quezon Boulevard Ext., Quezon City, Philippines.

3. A local representative is required and he will be responsible for fulfilling engineering contracts. He must be a Philippine resident. If the local representative is either a partnership or corporation, it must be registered with the Securities and Exchange Commission, if a sole-proprietorship, the firm must be registered with the Bureau of Domestic Trade. Local firms should secure local permits from the city or town where the business is officially establilshed.

4. There are no legal requirements either for local equity, or local employee participation.

5. It is not the usual practice to require "turnkey" bids. The Professional Regulation Commission considers this an unethical practice. Contracts with consulting engineers are negotiated. Routinely, local contracts provide that the final arbiter is the local court. It is the practice to require prebid financial guarantees in the form of instruments acceptable to local Government agencies.

6. There is no discrimination reported.

7. Foreign exchange for remitting service fees of more than U.S. $100 is made available if the application is supported by documents attesting to the nature, purpose, and legitimacy of the service rendered.

8. U.S. consulting firms must pay local corporate and other taxes. The corporate tax rates are 25% of net income up to P100,000 and 35% of net income in excess of P100,000 and 25% of undistributed profits. Domestic engineering firms are required to pay the same rate of corporate taxes, plus 3% contractors tax on gross receipts, if the domestic firm is engaged in construction. There is no advantage with respect to taxation should a U.S. consultant decide to organize as an overseas branch.

9. Expatriate employees of U.S. consulting firms are subject to local income and other applicable taxes only on gross income derived from within the Philippines. The individual income tax rate progresses from 3% on P2,000 to 70% on P500,000. There is a capital gain tax of 20% for individuals. Normally, customs duties are levied on all imported items. Exemptions may be granted when under contract with the National Power Corporation. Personal and household effects, except those of alien executives, or regional, or area headquarters of multinational corporations, are normally subject to customs duties and compensating taxes.

10. Bureau of Public Works.
Bureau of Public Highways.
Civil Aeronautics Administration.
National Electrification Administration.

11. Tagalog and English are both the official languages in the Philippines. English is spoken or understood by approximately 40% of the population and is most commonly used in commerce. The metric system of weights and measures is used.

12. According to informed sources, fringe benefits paid by most industrial and engineering firms vary between 27 and 30% of total wage cost.

Portugal

1. Engineers are required by law to be registered with the Portuguese Engineers Association. At present there are approximately 9,500 registered engineers in continental Portugal and the adjacent islands (Madeira and Azores). Engineering may be practiced only by Portuguese nationals, with the following exceptions: (1) scientific or technical industrial investigations, (2) teaching, (3) providing services to foreign firms or corporations carrying on temporary activity in Portugal, (4) installing and servicing machinery sent by suppliers, and (5) proven lack of Portuguese professionals. All such engineers must have their credentials approved by the Portuguese Engineers Association.

2. The only professional and consulting engineer society in Portugal is the Ordem dos Engenheiros (Portuguese Engineers Association), 3D Avenida Antonio Augusto de Aguiar, Lisbon 1. It has a membership of about 9,500 individuals.

3. A foreign consulting engineer is required to work through a firm established in Portugal. The local firm may be foreign-owned. There are no special registration requirements involved other than a mutual agreement as to fees and conditions.

4. For each foreign engineer permitted to practice under (3), (4), and (5) of 1. above, a Portuguese engineer must also be contracted and maintained as an assistant to collaborate on the work. Preference must be given to local employee participation. Work permits will be issued by the Ministry of Labor to the foreign employees only upon presentation of evidence of the nonavailability of qualified local employees.

5. It is the practice to request consortium bids. Contracts may be price bid or negotiated, depending upon the type of work to be performed. Contract disputes are normally resolved through local arbitration. Cash deposits and bank guarantees are normally required for official tenders.

6. No discrimination against U.S. consulting engineers has been reported.

7. There are exchange controls affecting the convertibility of currency and the repatriation of earnings.

8. U.S. consultant firms are required to pay industrial taxes. The industrial tax is calculated on gross income earned from the activities of the year less the expenses and losses incurred in earning that income. The effective rate of tax on income up to 105% of that of the prior year is 17.4%. For income in excess of this limit the effective rate is between 17.4 and 20.88% according to the extent of the income between years. There would be no economic advantage with respect to industrial taxation were the U.S. consultant to organize as an overseas branch of his U.S. firm.

9. All income earned in Portugal is liable to Portuguese taxes. The professional tax rate is 20% for annual earnings in excess of 900,000 escudos (30.75 escudos equals U.S. $1.00 as of June 22, 1976), decreasing gradually to 1% on taxable earnings between 60,000 and 75,000 escudos. Earnings below 60,000 escudos per annum are exempt from professional taxes. There is a complementary tax which is assessed on a graduated scale beginning at 3% on a taxable income up to 50,000 escudos, rising to 80% on taxable amounts in excess of 1,250,000 escudos annually.

10. Portuguese Government agencies do not employ foreign consulting engineers directly for public works or other types of engineering, although there would appear to be no legal impediment to such employment, if deemed in the public interest. In actual practice, consulting engineers are generally employed by the holder of the prime contract with any Government Ministry.

11. Portuguese is the official and commercial language. The metric system of weights and measures is used.

12. Fringe benefits for blue-collar workers and salaried employees vary with the industry, but average an additional 40% in labor costs.

Qatar

1. Engineers are not required by law to have a license to practice in Qatar. Foreign engineers must offer evidence of competence before they are prequalified to bid on contracts with Government agencies. There are no other legal requirements.

2. There are no professional or consulting engineer societies in Qatar.

3. All foreign engineering firms are required to have a local representative. The local representative must be a Qatari citizen. A representative may be a resident U.S. citizen only if he also holds Qatari nationality. The representation agreement must be approved by, and filed with, the Ministry of Commerce and Economy.

4. There are no prescribed requirements for local equity participation in contracts with consulting engineers, although occasionally provisions for such participation are specified in individual contracts. All business establishments must have 51% Qatari ownership. Firms are required to use Qatari employees whenever qualified candidates are available.

5. Qatar does not normally request "turnkey" bids. The Government generally negotiates contracts with consulting engineers although there have been several instances of price bidding. Price considerations are a major factor in the decision of the Government which usually favors the lowest bidder. It is possible to adopt negotiated contracts preceded by prequalification. Conditions of contracts provide for settlement of disputes through arbitration by a party agreed on by the Government and the consultant. The Government requires a bid bond of approximately 3% and a performance bond of approximately 10%.

6. There is no discrimination practiced against U.S. consultants. However, there is strong competition, principally British, for engineering services to be tendered in Qatar.

7. There are no limiting restrictions concerning the convertibility of currency or the repatriation of fees.

8. U.S. firms are subject to local corporate taxes. These tax rates range from 5 to 50% on profits over 5 million Qatari riyals. Domestic engineering firms must pay the same taxes. A U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly, but he would not realize an economic advantage by doing so.

9. There are no individual income taxes in Qatar. There is no available information on customs duties.

10. Ministry of Public Works—most civil construction.
Ministry of Defense—defense related projects.
Ministry of Information—radio and television.
Ministry of Public Health—hospitals.
Industrial Development Technical Center—industrial projects.

11. The official and commercial language is Arabic. English is widely used and the Standard Form of Agreement for Consultants is printed in English. The metric system of weights and measures is used.

12. The majority of workers in Qatar are expatriates. Fringe benefits granted to skilled workers normally include housing, furniture allowance and vacation and travel pay, amounting to more than 100% of take-home pay. Unskilled workers must also be provided with housing.

Rwanda

1. Practicing engineers are not required by law to have a license. Foreign engineers are not yet required to have a local license to practice.

2. There are no professional organizations in Rwanda for consulting engineers.

3. Consulting engineers must have a local representative. It is not necessary that the local representative be a Rwanda citizen; he may be a resident U.S. citizen, and he must be inscribed in the Rwanda Commercial Register within three months following his appointment as a local representative.

4. There are no requirements governing local equity of local employee participation in contracts with U.S. consulting engineers.

5. "Turnkey" or consortium-type bidding is required only in the case of public works contracts. Competitive bidding is required for all public works contracts and for other contracts amounting to more than 120,000 Rwanda francs. No additional information is available on contracting procedures.

6. There is no discrimination against U.S. consulting engineers.

7. No information is available on exchange control restrictions.

8. U.S. consultants are liable for local taxes, which they must pay at the same rates as domestic firms. The corporate tax is levied at a flat rate of 45%. The U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly. It is not known whether an economic advantage would accrue as a result.

9. All foreign consultants paid in Rwanda must pay local income taxes. The rate of taxation is 20 to 25% on the first U.S. $10,000 and 40% on income over U.S. $10,000. No information is available on customs duties.

10. Ministry of Public Works.
Ministry of Defense.
Ministry of Foreign Affairs and Cooperation.

11. French is the official language. The metric system of weights and measures is used.

12. Social costs paid by the employer add about 34.4% to direct labor costs.

SAUDI ARABIA
EMBASSY: Jidda
Palestine R., Ruwais,
APO NY 09697
Tel. 53410, 54110, 52188,
52396,52589

Commercial Center
Palestine Rd. (opp. Embassy)
P.O. Box 149
Tel. 51553

CONSLATE GENERAL:
Dhahran
(no street address)
APO NY 09616
Tel. 43200

SENEGAL
EMBASSY: Dakar
Boite Postale 49, BIAO
Bldg., Place de l'Independence
Tel. 26344

SIERRA LEONE
EMBASSY: Freetown
Corner Walpole and Siaka
Stevens Sts.
Tel. 26481

SINGAPORE
EMBASSY: Singapore
30 Hill St.,
FPO San Fran 96699
Tel. 30251

SOMALIA
EMBASSY: Mogadiscio
Corso Primo Luglio
Tel. 2811

SOUTH AFRICA
EMBASSY: Pretoria
Thibault House, 225
Pretorius St.
Tel. 48-4266

CONSULATE GENERAL:
Cape Town
Broadway Industries Center,
Heerengracht, Foreshore
Tel. 471280-471287

CONSULATE GENERAL:
Durban
Durban Bay House
29th fl., 333 Smith St.
Tel. 324737/8/9

CONSULATE GENERAL:
Johannesburg
521 South African Mutual Bldg.
Tel. 834-3051

SPAIN
EMBASSY: Madrid
Serrano 75
APO NY 09282
Tel. 276-3400, 276-3600

CONSULATE GENERAL:
Barcelona
Via Layetana 33,
APO NY 09285
Tel. 319-9550

CONSULATE GENERAL:
Seville
Paseo de las Delicias No. 7
APO NY 09282
Tel. 954-23-18-85

(Spain continued)

CONSULATE: Bilbao
Plaza de los Alfereces
Provisionales, 2-4
APO NY 09285
Tel. 42339700, 42339708

SRI LANKA
EMBASSY: Colombo
44 Galle Rd., Colpetty
Tel. 26211 thru 26217

SUDAN
EMBASSY: Khartoum
Gamhouria Ave., P.O. Box 699
Tel. 74611 and 74700

SURINAM
EMBASSY: Paramaribo
Dr. Sophie Redmondstraat 13
Tel. 73024

SWEDEN
EMBASSY: Stockholm
Strandvagen 101
Tel. 63-05-20

CONSULATE: Goteborg
Sodra Hamngatan 53
Tel. 80-38-60

SWITZERLAND
EMBASSY: Bern
93/95 Jubilamsstrasse
Tel. 43-00-11

CONSULATE GENERAL:
Zurich
Zollikerstrasse 141
Tel. 55-25-66

SYRIA
EMBASSY: Damascus
Abu Rumaneh, Al Mansur St.
No. 2, P.O. Box 29
Tel. 332315, 332814

Saudi Arabia

1. As of March 27, 1976 all engineers are required by law to be licensed to practice in Saudi Arabia. The Ministry of Commerce is the licensing authority. Foreign engineering firms must register and apply for license in connection with a project in accordance with Foreign Capital Investment Regulations. They must also register with the local Chamber of Commerce. The only legal requirements are proof of qualifications from the country of origin certified by a Saudi Consulate.

2. There is no professional organization in Saudi Arabia for professional or consulting engineers.

3. Non-Saudis are prohibited from acting as exclusive agents for goods and services offered by foreign firms or individuals. A U.S. consultant is required to have a local representative, who must be a Saudi citizen; however, he is exempt from this requirement if his employment is on a Government project. There are no registration requirements for establishing local representation.

4. Local capital participation in a contract with a Government agency is not required, unless such participation is specified in the contract. Although local capital participation is not usually a requirement, 25% Saudi capital participation is a prerequisite for entitlement to tax and customs benefits. The Labor Code requires 75% Saudi participation in the labor force, to the extent that qualified Saudis are available.

5. Consultant and design engineers are generally contracted separately and, if awarded contract, are forbidden to participate in project construction as part of construction contract. Contracts are negotiated on specific projects and proposals are invited from those who prequalify. Price is a consideration in making contract awards. Contracts do not routinely provide for international arbitration. A cash deposit or a bank guarantee of 2% of the bid offer must be submitted as a condition for bidding. Generally, Letter of Credit bank guarantees of 10% are required on signing as a performance guarantee. This may be negotiated dependent upon the reputation of the firm.

6. No discrimination has been reported.

7. There are no restrictions on converting currency or repatriating fees.

8. Waivers from taxation for U.S. firms *not based* in Saudi Arabia, and under contract with its Government, are subject to negotiation during the contract phase. Other U.S. firms based in Saudi Arabia are required to pay taxes. The income tax is levied at progressively increasing rates beginning with 25% on an income up to 100,000 riyals and achieving a maximum of 45% on incomes over 1,000,000 riyals. Saudi citizens and companies are exempt from taxation on personal and corporate income, but are obliged to pay a 1.25% religious tax and are expected to contribute an equal amount to charitable institutions of their choice. A U.S. consultant may organize as an overseas branch in Saudi Arabia and pay taxes accordingly.

9. There is no income tax on the wages and salaries earned by foreigners working in Saudi Arabia. For Government contracts, customs levies are usually waived and can be so stipulated in contracts. Customs duties are payable on items imported for private projects, but not for used personal possessions of employees on first entry.

10. Ministry of Commerce.
Ministry of Industry and Electricity.
Ministry of Agriculture.
Ministry of Education.
Ministry of Transport and Communications.
Ministry of Planning.
Ministry of Posts, Telephones & Telecommunications.
Ministry of Municipal and Rural Affairs.
Ministry of Public Works and Housing.

11. The official language is Arabic. Saudi Arabia has officially adopted the metric system of weights and measures.

12. The social costs for foreign workers is over 100% of their salaries if housing, food, car medical care and vacation allowances are paid. Similar costs for Saudi and regional personnel continue to exceed 50% of their basic salaries.

Senegal

1. Practicing engineers are not required to have a license. However, permission to establish and operate a local office must be granted by the Ministry of the Interior. No registry of engineers is maintained. U.S. and other foreign engineers may practice without a license, although permission of the Ministry of the Interior is required to operate in Senegal. Permission to operate in Senegal as an engineer is based on the qualifications of the applicant. Professional status and a State professional engineer's license are helpful.

2. There are no professional organizations in Senegal for consulting engineers.

3. A local representative is not required, but one would be advantageous in understanding local customs and practices, and the French language. The local representative need not be a citizen of Senegal and can be a U.S. resident citizen. Permission of the Ministry of the Interior to establish and operate an office is the only registration required.

4. There are no requirements for local equity participation. Local employee participation is required in all categories below the managerial level. It is recommended that local contractors be employed whenever feasible.

5. When the size of the project warrants a consortium-type bid, all services can be, and often are, included, although subcontracting is also a general practice. Government and private contracts are usually negotiated. Contracts financed by large international donors routinely provide for international arbitration. Special prebid financial requirements are not routinely imposed which would affect the cost of preproject proposals.

6. There is no discrimination against U.S. consulting engineers. However, U.S. firms are at a disadvantage because of extensive representation of European engineers under bilateral technical assistance contracts.

7. There are minimal restraints on dollar convertibility for normal business purposes.

8. U.S. consultants are required to pay local taxes at the same rate as domestic engineering firms. The tax rates vary and are complicated. The local tax structure, and particularly the many excise taxes and customs duties, should be thoroughly investigated. A U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly, but he would not realize an economic advantage with respect to taxation by doing so.

9. U.S. consultants' expatriate employees are required to pay local taxes unless specific exemption is granted by the Ministry of Finance. Customs duties are also levied unless specific exemption has been granted by the Ministry of Finance.

10. Ministry of Armed Forces.
Ministry of Rural Development.
Ministry of Industrial Development.
Ministry of Public Works.
Ministry of Information.

11. The official language is French. The metric system of weights and measures is used.

12. The social costs paid by employers are highly variable and depend on several factors such as the specific industry of the employee. It therefore would be impossible to determine a single value or percentage that would yield meaningful information.

Sierra Leone

EDITOR'S NOTE: The material to be prepared for this section of the Handbook by the American Embassy in Freetown was not received in time to permit its inclusion here. The latest available data, presented below, was developed from the data files of the Sierra Leone Market Manager, Office of International Marketing, U.S. Department of Commerce.

1. Engineers are not required to have a license to practice in Sierra Leone. Foreign engineers are not required to have a license, but must have a permit to perform any kind of work in Sierra Leone. To qualify for state commissions, expatriate engineers are required to show proof of registration in their own country.

2. No information is available about engineering organizations that may be located in Sierra Leone.

3. Foreign professional engineers may perform consulting and professional services for the Government of Sierra Leone. A local representative is usually required, and it is preferred that the professional staff be Sierra Leonean.

4. A foreign engineer in private practice may work only in association with a Sierra Leonean national. As a rule, work permits will not be granted unless it can be demonstrated that there are no qualified Sierra Leoneans available.

5. Consortium of "turnkey" bids are not solicited. Contracts with consulting engineers are usually negotiated, but some price bidding does occur. It is not known whether it is possible to adopt negotiated contracts preceded by prequalification when price bidding occurs. Contracts do not routinely provide for the international arbitration of contract disputes. No information is available about prebid financial commitments.

6. There is no discrimination against U.S. consulting engineering firms.

7. Foreign exchange is readily granted for all permitted imports. Imports of most goods from the United States may be made freely under general license. A special license is needed for certain kinds of goods. Capital payments to nonresidents of Sierra Leone are subject to exchange control.

8. Corporations and partnerships are subject to local taxes. The rate of corporate tax is unknown. Both foreign and domestic firms pay the same taxes. It is not known whether a U.S. consultant can organize as an overseas branch of his U.S. firm and pay taxes accordingly. Further, it is not known whether an economic advantage would accrue as the result of such an arrangement.

9. The consultant's expatriate employees are liable for local taxes. Nothing is known about the kinds of tax and the rates at which they are levied. No information is available with respect to the levying of customs duties.

10. Ministry of Public Works.
Electricity Corporation.
Guma Valley Water Company–dam construction.
Ministry of Communications–telephone system installation.

11. The official language is English. The British Imperial System of weights and measures is used.

12. Fringe benefits, including transport, subsidized lunches, vacations, bonuses, retirement, and (for senior employees) loans are estimated to be about 30% of the basic salary.

Singapore

1. Professional engineers, both local and foreign, are required by law to register with the Professional Engineers Board. There are about 1,125 engineers registered with this Board. Applicants must posses professional and/or academic engineering qualification acceptable to the Board. If a U.S. engineer plans to establish a business, he must also register with the Registry of Business Names or with the Registry of Companies.

2. There are two professional organizations: (1) The Institution of Engineers, c/o Professional Centres, 1st Floor, Block 23 Outram Park, Outram Road, Singapore 3, with a membership of about 1,506 and (2) Association of Consulting Engineers, at the same address, with a membership of about 38.

3. A U.S. consulting engineering firm is not required to have a local representative in order to practice in Singapore. If a local representative is retained, he must register with the Registry of Business Names or Companies, as appropriate.

4. No local participation is required for consulting engineering work, but practical advantages can be gained from local management or employee participation.

5. It is not the practice to require consortium or "turnkey" bids. Contracts with consulting engineers are normally negotiated. Contract terms do not routinely provide for settlement of disputes by international arbitration. there are no special prebid financial requirements imposed which would effect the costs of preproject proposals.

6. Discrimination against U.S. consulting engineers is not practiced.

7. There are no restrictions affecting convertibility of currency or repatriation of fees.

8. Both local and foreign consultant firms are required to pay the local corporate tax which is levied at the flat rate of 40% on the adjusted net profit. U.S. firms can operate as a branch office in Singapore. The tax liability of a branch office depends on whether the business income is derived from the branch activities. Only profits derived from the activities of the branch business in Singapore are taxed at the 40% rate.

9. Individuals who have lived in Singapore for 183 days or more in a calendar year are considered to be residents and are liable for tax on income on the same basis as Singapore citizens. The rates are progressive from 6 to 55% on taxable income. Persons residing in Singapore for more than 60, but less than 183, days in a calendar year are normally considered to be nonresidents. The income of such persons derived from employment in Singapore (whether paid in Singapore or not) is taxable at a flat rate of 15%, provided such tax is not less than that which would be payable by a Singapore resident under the same circumstances. Income from most other sources is taxable at a flat rate of 40%, except income from interest paid on Singapore bank deposits, which is subject to a maximum tax rate of 10%. Imported office machines, industrial equipment, and the personal effects of employees are not subject to customs duties.

10. Public Works Department.
Public Utilities Board.
Port of Singapore Authority.
Jurong Town Corporation–industrial sites & buildings.
Housing and Development Board-public housing.
Telecommunication Authority of Singapore.

11. The official and commercial language is English. Singapore is adopting the "Systeme International d'Unites" (SI) system of weights and measures.

12. Fringe benefits vary from 20 to 50% depending upon the industry and the individual firm. Skilled labor and middle-level managers are in short supply.

Somali Democratic Republic

1. Engineers are not required to have a license to practice, but must be registered with the municipality. There are 19 engineers registered in the Somali Republic, including architects and land surveyors. foreign engineers need not have a Somali license, but must comply with the requirements that apply to local engineers. Engineers as a rule are required to register with the municipal authority. Under certain conditions it is possible for an engineering firm to register with the local authorities in lieu of registration by each individual engineer designated to work on a project. The requirements are: a degree in engineering; a certificate of professional qualifications; and, a police certificate indicating that the engineer has not been disqualified or suspended.

2. There is no local organization in Somalia for consulting or professional engineers.

3. A local representative is not required, however, design work must be approved by a locally registered engineer. If a local representative is desired, he need not be a Somali citizen. Registration requirements are the same as for local engineers.

4. Local contract or employee participation is not required, but it would be advisable to employ some local personnel.

5. It is not the practice to request "turnkey" bids. Contracts are awarded both on the basis of bidding and negotiation. It is legally possible to adopt contracts which have been negotiated following prequalification. During the contract phase, foreign businessmen, including engineers, must reach independent and unique arrangements with GSDR authorities. These arrangements may or may not be completely consistent with relevant statutes such as the foreign investment law, the labor code, and currency regulations.

6. There has been no discrimination reported.

7. Currency exchange and repatriation of fees are arranged on an individual basis. If a Government contract has been awarded, no difficulty should be experienced in these matters. Transfers of up to 50% of salaries, wages, gratuities, and allowances paid in Somali shillings to foreign personnel under the Foreign Investment Law are normally allowed. One hundred percent of salaries, wages, allowances and gratuities paid in foreign currencies may be remitted.

8. Resident foreign consultants are required to pay local income taxes, although foreign consultants usually are exempted. Foreign engineers pay the municipality a maximum annual registration fee of 300 Somali shillings. This charge is considered to be in lieu of income tax when the yearly income tax is less than 3,000 Somali shillings, or where the income is equal to, or more than, the income tax assessable. Local engineers pay the same taxes.

9. U.S. consultants' expatriate employees are required to pay local income taxes as discussed in 8. above. No information is available on customs duties.

10. Ministry of Public Works.
Ministry of Communications and transport.

11. Somali, a spoken language with no written form, and Arabic are the official languages. English and Italian are both spoken in the Somali Republic. The metric system of weights and measures is used.

12. Social benefits, including health insurance, 15 paid holidays, and 10 paid days of vacation each year, an annual bonus equivalent to 16 days pay, and severence pay of 15 days wages for each year worked, add up to approximately 23% of a worker's basic salary.

Republic of South Africa

1. The Professional Engineers Registration Act of 1969 requires the registration of all professional engineers. Any foreign engineer may practice in South Africa if he is registered as a Professional Engineer, and provided he has fulfilled the usual immigration requirements.

2. There are several professional societies in South Africa three of which are: (1) Engineers Association of South Africa, P.O. Box 26189, Arcadia 0007 with a membership of 830; (2) South African Association of Consulting Engineers with a membership of 331; and, (3) South African Institution of Civil Engineers, 401 Kelvin House, Hollard Street, Johannesburg 2001, Box 61019, Marshalltown 2107, with a membership of 4,748.

3. A U.S. consulting firm is not required to have a local representative to practice in South Africa. If one is engaged, he may be a resident U.S. citizen, and need not be a South African national.

4. There are no legal requirements specifying levels of local employee participation in contracts with U.S. consultants. No information is available on local equity participation.

5. "Turnkey" bidding is becoming a more frequent practice, particularly with respect to projects in the range of U.S. $500 million to $1 billion. No information is known with respect to the manner in which contracts are made with consulting engineers. No information is available with respect to international arbitration of disputes, or with respect to prebid financial requirements.

6. No discrimination against U.S. consulting engineering firms has been reported.

7. Fees earned by American citizens usually can be converted to dollars and repatriated to the U.S. Requests have to be made by the consultant's own bank to the South African Reserve Bank for permission to let the funds leave South Africa.

8. U.S. consultants are required to pay South African taxes if they work there for more than 183 days during the South African fiscal year. If, however, the consultant works for an American firm with permanent offices in South Africa, he would be liable for taxes for whatever period he worked. An agreement between the U.S. and South Africa to avoid double taxation may apply in certain instances of work under 183 days. The company tax rate for ventures other than gold, diamond, or oil is 40% of taxable income. Domestic firms pay the same taxes. A U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly. The South African tax structure is complex; tax differences do exist between external and internal companies, but advantages or disadvantages need to be assessed on an individual basis.

9. See discussion of taxes at 8. above. No information is available on customs duties.

10. Department of Public Works.
Department of Water Affairs.
Industrial Development Corporation.
National Transport Commission.
Electricity Supply Commission.
South African Railways & Harbours Administration.
South African Iron and Steel Corporation.

11. The official languages are Afrikaans and English, with Afrikaans gaining in importance, although English is more widely used in commerce. South Africa has converted to the metric system of weights, and measures. Standardized metric building components are being prepared.

12. Social costs paid by the employer approximate 40% of take-home pay and vary between 30 and 50% according to company-initiated variables in nonlegally required fringe benefits.

Spain

1. To practice, an engineer must be a member of one of the Spanish Colleges of Engineers. The ability to assume responsibility is limited by the nature of the degree presented. Only an engineer who has successfully completed his technical training in Spain or whose foreign degrees have been validated by the Spanish Government can be a member of a College of Engineers. A foreign engineer must belong to one of the Colleges of Engineers in order to practice in Spain.

2. The Spanish engineering society Instituto de Ingenieros Civiles, General Goded 38, Madrid 4, with a membership of about 16,000.

3. If the foreign engineer is a member of a College of Engineers, it is not necessary for him to have a local representative. Otherwise, he could practice in an unofficial status only, and all work would have to be signed by an authorized engineers. In such cases, a local representative or association with a Spanish firm would be necessary. The local representative need not be a Spanish citizen, but he would have to be qualified as described in 1. above. He could be a U.S. citizen if he meets these qualifications.

4. Local participation is not required in a contract with a U.S. consulting engineer, but is advisable.

5. Engineering services are usually bid separately from construction or equipment supply. Contracts for engineering services are made both by negotiation and by bidding. Settlement of contract disputes is normally under Spanish law. Prebid financial commitments are not normally required.

6. There is no discrimination, but U.S. consulting engineers may only bid on projects where Spanish technology is not available and then the U.S. consultant must work in association with a Spanish company.

7. No difficulty should be encountered in converting currency or repatriating fees.

8. U.S. consultants are required to pay the same local taxes as domestic engineering firms pay. The corporate tax rate is 33%. A U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly. He would realize an economic advantage by doing so.

9. U.S. consultants' expatriate employees are liable for local taxes. Income from personal services is taxed at the rate of 12% after deducting a tax free allowance of 100,000 pesetas. In addition, there is an income tax on taxable income, after authorized deductions, of more than 300,000 pesetas. This income tax rate is progressive with income and varies between 15 to 56.12%, the latter percentage being levied on incomes in excess of one million pesetas. Material imported for project use is normally imported free of duty under the owners permits. Material imported for personal use by U.S. expatriate personnel is usually free of duty if it is not new.

10. There are no Government agencies that regularly employ foreign engineers.

11. The official and commercial language is Spanish. The metric system of weights and measures is used.

12. Twelve percent of an employee's base monthly salary is contributed by the employer to cover social security, health, family subsidy, and unemployment insurance. The base salary, established by law for all professions, is periodically revised and is usually lower than actual remuneration.

Sri Lanka

1. Engineers are not required to be licensed to practice in Sri Lanka. However, foreign engineers must obtain permission from the government to work in Sri Lanka. The Ministery of Defense and Foreign Affairs is responsible for granting visas which must be obtained before an engineer may either work or reside in Sri Lanka.

2. Institution of Engineers, Sri Lanka Wijerama Mawatha, Colombo 7, with a membership of about 1,500.

3. A U.S. consulting engineering firm is not required to have a local representative to practice in Sri Lanka. If a local representative is desired, he need not be a local citizen and can be a resident U.S. citizen. There are no specific registration requirements for establishing a local representative.

4. There are no formal requirements for local equity participation in contracts with U.S. engineers. Since unemployment is high, all positions other than managerial would have to be recruited locally.

5. It is the practice to require consortium or turnkey bids in which the engineering services are included with construction, materials and equipment bids. Contracts are usually made by negotiation and/or price bidding. It is legally possible to adopt negotiated contracts which are preceded by prequalification. Contract terms routinely provide for the settlement of disputes by international arbitration. Special prebid financial commitments are not routinely required, but may be when the contract is negotiated.

6. There is no discrimination reported.

7. There are restrictions concerning the convertibility of currency and the repatriation of fees.

8. U.S. consultant firms are required to pay local taxes on profits for services rendered in Sri Lanka. The corporate tax rate is 66%. Domestic and foreign engineering firms do not pay taxes at the same rates. If the overseas branch of a U.S. firm is incorporated as a local company, then the tax rates applicable will be those levied on domestic firms. If it is not so incorporated, it will be taxed as a nonresident company. There would be a small economic advantage to organizing as a local firm.

9. U.S. consultants' expatriate employees are liable for local taxes with respect to services rendered in Sri Lanka. An employee is liable to income tax as either a resident individual (if he is in Sri Lanka for more than 6 months) or as a nonresident individual. Resident individuals are taxed at progressive rates varying from 7.5 to 50% and nonresident individuals from 15 to 50%. Customs duties are not levied on items imported which are not intended for resale.

10. Ministry of Irrigation, Power of Highways–irrigation and land development.

Ceylon Electricity Board–electrical undertakings.

Ministry of Housing and Construction–buildings and housing.

Ministry of Posts and Telecommunications–telecommunications engineering.

11. The official and commercial languages are Am Sinhala, English and Tamil. The British Imperial System of weights and measures is used, but transition to the metric system is now underway.

12. Social costs borne by the employer expressed as a percentage of take-home pay range from 35 to 40%.

Sudan

1. Engineers are required to have a license if they are establishing a private practice. The number of licensed engineers is not known. Foreign engineers must have a trade license to practice in Sudan and must obtain a labor permit to join any firm in Sudan. If establishing their own firm, foreign engineers are required to register with the Registrar of Companies, Ministry of Commerce and Supply. If a foreign engineer is joining a Sudanese firm, a contract of service is required. If establishing a firm, a residence permit from the Ministry of the Interior and an Article of Association are required.

2. Sudanese Engineering Society, P.O. Box 2194, Khartoum, Sudan, with a membership of about 600.

3. A foreign consulting engineer is not required to have a local agent, but it is recommended. Local agents must be Sudanese citizens. A U.S. citizen can be a local representative, but will not be regarded as an agent. Applications for establishing local representation should be submitted to the Registrar of Agencies, Ministry of Commerce and Supply.

4. Local participation is not mandatory in Sudan, but would be advisable. Data on the required extent of local employee participation are not available.

5. Consortium-type bids are not necessary, but some very large contracts have been awarded to consortia. Contracts are made both through negotiation and through price bidding. Prequalification is increasingly becoming a condition for bidding and registration. Contract terms sometimes provide for the settlement of disputes by international arbitration. No special prebid financial requirements are routinely imposed.

6. No discrimination is practiced against U.S. consulting engineers.

7. There are certain restrictions. Prior approval from the exchange control authorities is required for converting currency or repatriating fees.

8. U.S. consultants, like all firms licensed to operate in the Sudan, pay a business profits and a company registration tax. The rate of tax on business profits is progressive with the maximum rate of 65% being imposed on annual profits exceeding LS 20,000 (U.S. $50,000) for private companies. Personal income tax progresses from 15% of the first LS 200 (U.S. $500) of taxable income to 60% on income in excess of LS 20,000. An additional development tax is collected on taxable profit after the first LS 1000 (U.S. $2500) exemption. A U.S. consultant can organize as an overseas branch of his U.S. firm and pay taxes as required. Tax holidays and other investment incentives could result in a economic advantage for an investor.

9. U.S. consultants' expatriate employees are subject to local income and other taxes as discussed in 8. above. Customs duties are levied on all imports except those exempted by the Minister of Industry for encouragement of new industries.

10. Ministry of Agriculture, Food and Natural Resources.
Ministry of Construction and Public Works.
Ministry of Finance, Planning and National Economy.
Ministry of Health.
Ministry of Interior.
Ministry of Irrigation and Hydroelectric Power.
Ministry of Transport and Communications.
Hotels and Tourism Corporation.
Roads and Bridges Corporation.
Public Electricity and Water Corporation.

11. The official language is Arabic. English is widely used in business. Both the metric and British Imperial systems of weights and measures are used.

12. An employer with more than 15 employees deducts an average of 10% on a maximum of LS 45 (U.S. $112.50) from the salary of each employee for social security benefits. In addition, he deducts the personal income tax mentioned in 8. above.

Surinam

1. Practicing engineers are not required to have a license. Foreign engineers are not required to have a license to practice in Surinam.

2. No information is available.

3. While a local representative is not required by law, it is considered advisable for a foreign engineer or firm to be represented locally.

4. No local employee participation is mandated. Local authorities are lenient with respect to the admission of foreign technicians and supervisors.

5. Contracts with consulting engineers are sometimes negotiated. It has not been the practice in the past to request consortium of "turnkey" bids.

6. No discrimination is practiced against U.S. consulting engineers.

7. There are some restrictions concerning the convertibility of currency and the repatriation of fees.

8. U.S. consultants are required to pay local taxes at the same rate as local engineers.

9. No information is available about the taxation of U.S. consultants' expatriate employees or the manner in which the Surinam Government levies custom duties.

10. Ministry of Public Works & Traffic – construction, repair, and supervision of highways, roads, buildings, airfields, harbors, water supplies; all public utilities.

Bureau of Water Works – construction and maintenance of hydroelectric dams.

Plan Bureau – planning and development projects.

11. Dutch is the official language. English is generally understood. The metric system of weights and measures is used.

12. There are no statistics available on which to base a percentage relation of fringe benefits to total labor costs. Social benefits vary greatly from firm to firm, and no reliable generalization can be made.

Sweden

1. Practicing engineers are not required to be licensed. Foreign engineers may practice without a license provided they have obtained a work permit.

2. Two professional organizations exist for consulting engineers in Sweden. These are the "Svenska Konsulterande Ingenjorers Forening," Grev Turegatan 29, S-114 38 Stockholm, Sweden with a membership of about 700 individuals, and the "Svenska Konsultforening," of the same address, with a membership of about 150 firms.

3. A U.S. consulting engineer is not required to have a local representative.

4. Local participation is not required in any contract with a U.S. consulting engineer.

5. Consortium or "turnkey" bids are not generally requested, but are occasionally accepted on special projects. Central and local Government regulations require submission of tenders. If tenders are detailed enough, they can be accompanied by price bids; if not, consultants' fees are negotiated. Price bidding is becoming more frequent in the public sector. In the public sector, contract terms provide for the settlement of disputes in court. In the private sector, settlement of disputes is routinely achieved by arbitration under the terms of Swedish law. Bank guarantees, bid bonds, and similar instruments are very seldom required.

6. There is no discrimination practiced against U.S. consulting engineers.

7. There are no restrictions affecting the convertibility of currency or the repatriation of fees, but the permission of the Central Bank of Sweden is required to transfer funds.

8. Foreign companies (branches) have a somewhat limited tax liability compared to indigenous Swedish companies. The foreign branches' primary obligation is to pay tax on income from operations in Sweden. National and local income taxes are about the same for foreign companies as for domestic Swedish companies local, in the range of 23-28% of profit, depending on location; and national, 40% of profit, less the amount due in local tax. In summation, the total tax on income averages about 55%. The U.S. consultant can organize as an overseas branch and pay taxes accordingly.

9. All individuals resident in Sweden are liable to Swedish tax on all income whether earned in Sweden or abroad. If not resident in Sweden, individuals are required to pay tax to Sweden on income accruing in Sweden from business operations or services performed in Sweden. The national income tax rates are steeply progressive, ranging from 10% on a taxable income of 20,000 kronor to 57% on taxable incomes above 150,000 kronor. In addition, there is a local income tax which ranges from 23-28%, depending on the place of residence. Unlike the situation reported in 8. above, local income tax is not deductible from the amount on which national income tax is based.

10. Nearly all Swedish Government agencies employ consulting engineers.

11. Swedish is the official language. Virtually all Swedish firms are able to correspond in English, thus it too may be used as a commercial language. The metric system of weights and measures is used.

12. Employers' social welfare outlays as a percentage of gross wages and salaries are estimated to be 32.6% for blue-collar workers and 38.7% for white-collar employees. In 1977, these figures will rise to 38.1 and 44%, respectively. Vacation and sick leave costs add a further 9-12% to the total wage bill.

Switzerland

1. Engineers are not required to have a license, but certain cantons require registration of practicing engineers. However, all qualified Swiss and foreign engineers are in practice registered with the semi-official Swiss Register of Engineers and Architects (Schweia. Register der Ingenieure and Architekte, Weinbergstrasse 47, 8006 Zurich). Over 8,000 practicing engineers and architects are included in the register. Foreign engineers are not required to be licensed to practice, but must obtain both a residence and a work permit. The issuance of work permits for engineers depends on the domestic need for their services, rather than legal requirements. The basic requirement for foreign engineers is that their engineering degree be considered equivalent to the corresponding Swiss degree.

2. Schwizerischer Ingenieur–und Architekten–Verein (SIA), 8039 Zurich, Postfach, Selnaustr 16, with a membership of 7,900. Membership is essential for engineers seeking to operate permanently in Switzerland.

3. No local representation is required. However, as a rule, only local or locally-represented engineers receive contracts. The local representative, if engaged, need not be a Swiss citizen and can be a resident U.S. citizen. Dependng on the legal form of the firm, the Swiss office of a foreign corporation may be required to be entered in the Register of Commerce in the city where its offices are located.

4. As a rule, local equity participation is not required. In practice, however, it may be required to secure a Government contract. There are no requirements for local employee participation.

5. "Turnkey" contracting is common for major projects. Contracts with consulting engineers are both negotiated and price bid, with the former method being less frequent. It is possible to adopt negotiated contracts preceded by prequalification. Contracts provide for international arbitration. Foreign firms are often required to have a Swiss bank guarantee.

6. No discrimination has been reported.

Switzerland

7. There are no restrictions.

8. U.S. consultants are liable for local taxes if the life of the contract exceeds 12 months. The federal tax on corporations fluctuates between 3.63 and 9.8% of net profits. In addition, corporations are subject to cantonal and communal taxes which vary by location and are often at rates higher than the federal tax. There is in effect a U.S.-Swiss Double Taxation Treaty. A U.S. consultant can organize as an overseas branch of his U.S. firm and pay taxes accordingly.

9. U.S. consultants' expatriate employees are liable for local taxes. The federal income tax rates are progressive and reach a maximum overall rate of 12% on taxable income. The combined cantonal and municipal tax rates on individual income do not exceed 30%. In addition, employees have to pay 5% of their salaries to various social security funds plus paying insurance premiums against accidents and unemployment. In general, customs duties are levied on all imports. Used personal possessions, such as clothing, are not subject to customs duties.

10. Consulting engineers are employed by the federal, cantonal and municipal administrations. At the federal level, the need is principally in the Department of the Interior's Office for Road and Waterway Construction, Office for Pollution Control, Directorate of Federal Buildings, and the Department of Transportation and Energy. At the cantonal and municipal levels, engineers are employed by the offices for Public Works, or its subdivisions such as Offices for Pollution Control, Traffic Planning, and Public Transportation.

11. The official and commercial languages are German, French, and Italian. The metric system of weights and measures is used.

12. Social costs paid by employers amount to about 30% of the employees' wages and salaries.

Syrian Arab Republic

1. Engineers must be licensed by the Syrian Engineers Syndicate. There are about 5,600 licensed engineers in Syria. Foreign engineers must also be licensed to practice in Syria. The licensing authorities are the Ministry of Labor and Social Affairs and the Syrian Engineers Syndicate. The requirements for obtaining a license are (1) certificate of nationalitiy, (2) authenticated copy of the applicant's engineering degree, (3) certificate by applicant's Government affirming that Syrian engineers would have reciprocal treatment, (4) payment of registration fee of 300 Syrian pounds, and (5) a permit to work.

2. The only professional association for all Syrian engineers is the Syrian Engineering Syndicate, Abu Rummaneh, Pakistan Street, Samih Fakhouri, President. The Syndicate has a membership of about 6,000 individuals including architects.

3. There is no requirement for a local representative in contracts with U.S. consultants.

4. There are no formalized requirements for local participation. In practice, these requirements have been found to be variable depending upon the nature of individual contracts.

5. It has not been the practice to request consortium or "turnkey" bids. Contracts with engineers are made both through negotiation and price bidding; prequalification is the usual rule. Contracts almost always call for arbitration of disputes in Syrian courts, rather than by international authority, but this is a negotiable item. Bid bonds, up to 5% of the contract, usually required by a bank guarantee through the Commerical Bank of Syria, are routinely imposed.

6. No discrimination is practiced against U.S. consulting firms.

7. There are no restrictions concerning the convertibility of currency or repatriation of fees. Guarantees to foreign firms are generally written into contracts.

8. U.S. consultant firms are required to pay about 17% of total contract in Syrian corporate taxes. The exact amount is subject to negotiation. Domestic engineering firms pay between 28 and 30% in corporate taxes. U.S consultants may organize as overseas branches of their U.S. firms, but may not realize an economic advantage by doing so since they would then become liable for corporate taxes at the rate levied on Syrian firms.

9. U.S. consultants' expatriate employees are not subject to local taxes, but such exemption must be written into the contract. Personal possessions of consultants' employees are subject to customs duties. Equipment and materials used on the project are not subject to duty provided unexpended materials are re-exported at the end of the project.

10. Authority to tender for public works projects are divided among a large number of ministries and public sector companies. Government practice is now to give the right of first refusal on public works projects to public sector construction companies; there are seven such companies, grouped under the Superior Council of Public Construction Companies, Office of the Prime Minister. These public sector construction companies can handle only a fraction of the public works presently underway or projected in Syria. The Ministeries of Defense, Public Works and Hydraulic Resources, Euphrates Dam, Communications, Tourism, Industry, and Transport all require the services offered by consulting engineers.

11. Arabic is the official language, with English and French widely used in commerce. The metric system of weights and measures is used.

12. The employer pays about 25% of employees' salaries in social costs, mostly social security taxes, unemployment, and retirement benefits.

TAIWAN
EMBASSY: Taipei
2 Ching Hsiao West Rd.
APO San Fran 96263
Tel. 331-3551 thru -59

TANZANIA
EMBASSY: Dar Es Salaam
Nat'l Bank of Commerce Bldg.
City Dr., P.O. Box 9123
Tel. 22775

CONSULATE: Zanzibar
83A Tuzungumzeni Sq.
Box 4
Tel. 2118/9

THAILAND
EMBASSY: Bangkok
95 Wireless Rd.
APO San Fran 96346
Tel. 252-5040, -5171

CONSULATE: Chiang Mai
Vidhayanond Rd.
APO San Fran 96272
Tel. 235566/7

CONSULATE: Songkhla
9 Sadao Rd.
Tel. 311-589

CONSULATE: Udorn
35/6 Supakitjanya Rd.
WBO 96237
Tel. 221548

TOGO
EMBASSY: Lome
Rue Pelletier Caventou &
rue Vouban, B.P. 852
Tel. 29-91

TRINIDAD AND TOBAGO
EMBASSY: Port-of-Spain
15, Queen's Park West
Tel. 26371

TUNISIA
EMBASSY: Tunis
144 Ave. de la Liberte
Tel. 282-566, 258-559

TURKEY
EMBASSY: Ankara
110 Ataturk Blvd.,
APO NY 09254
Tel. 26-54-70

CONSULATE GENERAL:
Istanbul
147 Mesrutiyet Caddesi,
APO NY 09380
Tel. 45-32-20

CONSULATE GENERAL:
Izmir
386 Ataturk Caddesi
APO NY 09224
Tel. 132135/6/7

CONSULATE: Adana
Ataturk Caddesi,
APO NY 09289
Tel. 3555

UGANDA
EMBASSY: Kampala
(Temporarily closed)
P.O. Box 7007 Embassy House,
9-11 Parliament Ave.
Tel. 54451

UNITED ARAB EMIRATES
EMBASSY: Abu Dhabi
Sh. Khalid Bldg.,
Corniche Rd.
Tel. 61534/35

UNITED KINGDOM
EMBASSY: London
24/31 Grosvenor Sq., W. 1;
Box 40, FPO NY 09510
Tel. 499-9000
Telex. 266777

CONSULATE GENERAL:
Belfast, Northern Ireland
Queen's House, 14 Queen St.
Tel. Belfast 28239

CONSULATE GENERAL:
Edinburgh, Scotland
3 Regent Terrace
Tel. 031-556 8315

UPPER VOLTA
EMBASSY: Ouagadougou
Boite Postale 35
Tel. 21-91/2

URUGUAY
EMBASSY: Montevideo
Calle Louro Muler 1776,
APO NY 09879
Tel. 40-90-51, 40-91-26

VENEZUELA
EMBASSY: Caracas
Avenida Francisco de Miranda
& Avenida Principal de la
Floresta
APO NY 09893
Tel. 284-7111

CONSULATE: Maracaibo
Edificio Matema Avenida
15 Calle 78, APO NY 09893
Tel. 51-65-06/7

Taiwan

1. Practicing engineers are required by law to have a license in the Republic of China (ROC). An unlicensed engineer may be employed by a licensed engineering firm, who is responsible for his work. Foreign engineers are covered under the same regulations. Licenses are issued by the Examination Yuan, located at 1, Ssu-yuan Road, Mucha, Taipei.

2. Chinese Institute of Engineering (a consulting engineer society), 2nd Floor, 4, Lane 180, Kwang Fu S. Road, Taipei.

3. A U.S. consulting engineering firm is not required to have a local representative before it may practice in the ROC. If a representative is engaged and is an American citizen, he must be a resident of Taiwan.

4. There are no rules governing the extent of local participation in any contract with a U.S. consulting engineer. The same is true for the extent of local employee participation.

5. It is not the practice of the ROC to require "turnkey" bids where engineering services are included with construction, materials and equipment bid. Contracts made with consulting engineers are either negotiated or price bidding takes place. If the latter method is used, it is legally possible to adopt negotiated contracts preceded by prequalification. Contract terms do routinely provide for settlement of disputes by international arbitration. Special prebid financial requirements such as cash deposits and other similar devices are routinely requested.

6. There is no discrimination against U.S. consulting engineers.

7. A U.S. consulting engineering firm can be allowed to convert currency and repatriate profit and capital if the project it is working on has been approved by the Investment Commission of the ministry of Economic Affairs.

8. U.S. consultant firms are required to pay local corporate and other taxes. More information can be had by writing to the Department of Taxation, Ministry of Finance, 2 Ai Kuo West Road, Taipei.

9. U.S. consultants' expatriate employees are also subject to local income and other taxes. Additional information can be obtained by writing to the Department of taxation, Ministry of Finance, 2 Ai Kuo West Road, Taipei. No information is available with respect to the levying of customs duties.

10. Ministry of Communications–responsible for railways, highways, posts, telecommunications, navigation and aviation.

Department of Reconstruction, Taiwan Provincial Government–responsible for water conservation, geological survey and mining.

Department of Communications, Taiwan Provincial Government–responsible for railways, highways, and harbors.

BES Engineering Corporation–civil construction.

Chinese Petroleum Corporation–exploration, refining and production of petroleum oil, natural gases, and related minerals.

Ret-Ser Engineering Agency–civil construction.

Taiwan Power Company.

Taiwan Waterworks.

Taiwan Shipbuilding Corporation.

China Shipbuilding Corporation.

11. The official and commercial language of the ROC is Chinese and the official system of weights and measures is the International (metric) System.

12. No information is available on social costs.

United Republic of Tanzania

1. Practicing Tanzanian engineers are required to be registered. There is at present, no licensing of engineers. Foreign engineers are also required to be registered to practice in Tanzania. They must register with the Engineers Registration Board (ERB), Ministry of Works, P.O. Box 104, Dar es Salaam, Tanzania. Foreign engineers coming to Tanzania to work on specific projects may obtain a temporary registration by applying to the ERB.

2. The principal professional and/or consulting agency is the Engineers Registration Board. There is also the Architects and Quantity Surveyors Registration Board, P.O. Box 567, Dar es Salaam.

3. It is not necessary to have a local representative to practice in Tanzania. However, if a local office is established, it would be advisable for the engineer to be a senior member of the firm and for the local office to be an entity separate from the parent firm (i.e., design and drawings should be done in the local office). The local representative need not be a Tanzanian citizen and can be a U.S. citizen.

4. There are no requirements as to local participation, but local employee participation should be as high as possible.

5. It is not the practice to request "turnkey" bids. All work obtained by consulting engineers is on a professional basis and no bidding takes place. Contracts are negotiated on a fixed scale of fees. No price bidding takes place. Contract terms routinely provide for the settlement of disputes by local arbitration. The two Boards listed in 2. above are also responsible for arbitration. Special prebid financial requirements such as cash deposits or bid bonds are not routinely imposed.

6. There is no discrimination practiced against U.S. consulting engineering firms. However, it is to be noted that there is a predominance of British, Indian, and Pakistani consulting engineers in Tanzania.

7. Strict exchange controls are applied. Bona fide incomes of nonresidents may be repatriated on approval. Permission to remit dollars should be obtained in advance and included in the contract.

8. U.S. consultant firms are required to pay the same local taxes domestic engineering firms are obliged to pay. All income which is derived from employment services rendered in Tanzania is liable to taxation. Private corporation tax is 55%. It is not known whether a U.S. consultant would realize an economic advantage by organizing as an overseas branch of his U.S. firm and paying taxes accordingly.

9. U.S. consultants' expatriate employees are subject to payment of local income tax. All income derived from employment or services rendered in Tanzania is liable to taxation. The individual tax rate varies with income and ranges from 19.25% on incomes of Tsh. 1000 to 2000 per month to 71% on T£ 15,000 to 20,000 per month. The rate would be 50% on a monthly income of T£ 5000 to 10,000. Personal possessions are exempted from customs duties. Equipment and materials to be used for specific national projects may be exempted by special permission from the Tanzanian Treasury.

10. Ministry of Works – responsible for virtually all engineering projects performed on behalf of the Tanzanian Government.

Ministry of Lands, Housing & Urban Development – national housing projects, Government buildings, and town planning.

Ministry of Finance and Planning – national development planning, plan implementation and control.

Ministry of Water Development & Power – water development, irrigation, and river basin development.

11. Swahili is the official language. English is widely used in Government, foreign trade, and engineering contracts. Both the metric and British Imperial systems are used. Use of the metric system in engineering projects is increasing.

12. No information is available on social costs.

Thailand

1. Practicing engineers are required by law to be registered and licensed. There are about 11,000 engineers registered and licensed. Foreign engineers, except those specifically employed by the Thai Government on internationally financed projects, are not permitted to practice in Thailand, unless they were registered prior to the engineering profession having been restricted to practice by Thai nationals in a 1975 Alien Occupation Law Amendment. The Board of Registered Professional Engineers, which is located at Communications Divison building, Ministry of Interior, Visutkasat Road, Bangkok, is responsible for licensing by examination. When applying for a license, evidence of the applicant's qualifications must be submitted for consideration.

2. The Engineering Institute of Thailand, located on the campus of Chulalongkorn University, Bangkok, is the only professional engineering society in Thailand. It has some 15,000 members.

3. A U.S. consultant must designate a resident local representative to hold the firm's power-of-attorney. Local attorneys are usually employed to meet this requirement, and to apply for business and professional registration and licenses.

4. Local equity participation is not mandatory. However, in practice, local participation is highly desirable and in most cases, necessary to win the contract. Local employee participation is usually in excess of 50%

5. "Turnkey" bids are not commonly requested. Most contracts with consulting engineers are negotiated. Usually a number of prequalified firms will be rank-ordered with the leader chosen to negotiate first. Price bidding seldom occurs. Contracts routinely provide for the international arbitration of disputes. No special prebid financial requirements are imposed.

6. U.S. consulting firms are required by law to have the majority of their shares owned by Thai nationals. Foreign personnel are subject to Thailand's visa laws. Discrimination as such is not practiced.

7. Thai currency is freely convertible. Repatriation of fees is subject to approval by the Bank of Thailand under the provisions of the Exchange Control Act, and in accordance with the terms of each negotiated contract. In the absence of a contract which provides special consideration, profits after taxes are subject to a 25% remittance tax upon repatriation, in accordance with the Thai Revenue Code.

8. U.S. consultant firms are required to pay local corporate or other taxes except in connection with AID-financed projects. The corporate income tax ranges between 20 and 30% and is dependent on income. Thai engineering firms pay the same taxes. A U.S. consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly. He would realize an economic advantage by doing so.

9. U.S. consultant's expatriate employees are liable for local taxes. The personal income tax rates are calculated progressively with income and range from 10 to 50%. Unless waived in Government and AID-financed contracts, customs duties are levied on items imported, both for professional and personal use.

10. Ministry of Interior–rural roads and provincial water supply.

Ministry of Agriculture & Cooperatives–storage facilities, agricultural development, irrigation.

Ministry of Defense–naval dockyards & ammunition plants.

Expressway and Rapid Transit Authority of Thailand.

11. Thai is the official language. English is commonly used in commerce. The metric system is used.

12. The employer usually pays fringe benefits to medium and lower income level employees at an average rate of 10 to 15% over their take-home pay. It is now normal to provide a minimum of 2 weeks vacation leave per year in addition to the 13 regular holidays. Local employees' termination pay varies from 1 to 6 months salary depending on the length of employment.

Togo

1. Engineers are required by law to have a license to practice. An engineer must (1) produce his engineering diploma or certificate, (2) register with the Chamber of Commerce, Tax Office, and Labor Office, and (3) pay licensing fee. There are 26 registered engineers in Togo and 24 are employed by the Government. Foreign engineers are also required to have a license to practice in Togo. They must satisfy the same licensing requirements as local engineers.

2. At present there is no professional organization in Togo for consulting engineers.

3. Foreign consulting engineers are not required to have a local representative, but it is considered desirable and good business practice to do so. A local representative need not be a Togo citizen, he may be a resident U.S. citizen, but in any event he would be required to register with the Chamber of Commerce and obtain a license.

4. No local participation in a contract with a U.S. consulting engineer is required.

5. It is the usual practice to request consortium or "turnkey" bids if projects are put up for bids. Contracts with engineers may be made by either negotiation or price bidding. Experience demonstrates that most contracts with engineers are negotiated. Contract terms routinely provide for the settlement of disputes by international arbitration. Prebid financial commitments are not required unless the engineer needs an advance of cash to effect certain preliminary expenses, then he will be required to produce a bank guarantee.

6. There is no discrimination practiced against U.S. consulting engineers.

7. There are no restrictions on convertibility of currency or repatriation of fees.

8. In addition to the usual annual license renewal fee, U.S. consultants are required to pay local corporate tax. Domestic engineers are required to pay the same tax. This tax is levied at a rate of 37% on profits earned in Togo.

9. U.S. consultants' expatriate employees are subject to both a Civic or Resident tax and local income tax. Civic tax is 1,500 CFA francs per annum and income tax is levied at variable rates depending on the salary the expatriate employee earns in local currency and his family status. No customs duties are levied on items such as equipment and materials imported in terms of the contract at the time of entry into Togo. These items are admitted "en franchise temporaire". Customs duty may be levied at the time of reexportation. No duties are levied on personal effects or possessions.

10. "Ministere des Travaus Publics et des Mines" (Minister of Public Works and Mines).

11. The official and commercial language is French. The metric system of weights and measures is used.

12. Social security taxes and retirement benefits for employees in both public and private sectors amount to an additional 14.1% over basic wages and salaries in labor costs to employers. Year-end bonuses are optional. Severance pay is compulsory based on a formula devised by the Minister of Labor.

Trinidad and Tobago

1. Engineers are not required to be licensed to practice. However, foreigners working in Trinidad and Tobago must have a work permit.

2. Association of Professional Engineers of Trinidad and Tobago, P.O. Box 935, Port of Spain, Trinidad, W.I. Information on membership is not avaialble.

3. A local representative is not required, but would certainly be advisable. Such a representative could be a resident U.S. citizen.

4. Local participation is not legally required, but in practice most consulting engineering is performed as a joint-venture with a local firm. Maximum participation by local employees is encouraged.

5. Consortium or "turnkey" bidding is not generally practiced, but is encouraged by the Government on some large projects. Contracts for engineering services are usually negotiated, and prequalification is generally required on large projects. International arbitration is not routinely stipulated as a means of dispute settlement, nor are pre-bid financial requirements routinely imposed.

6. There is no discrimination practiced against U.S. consulting engineers, although local firms or joint-venture arrangements including a local partner usually receive preferential consideration.

7. Local exchange control approval must be obtained in order to convert currency or repatriate fees. This approval is usually granted.

8. U.S. consulting firms are required to pay all local taxes at the same rates as domestic firms. The corporate tax rate is 45% plus a 5% "unemployment levy". There is a double taxation treaty in effect between the United States and Trinidad and Tobago.

9. All expatriates employed in Trinidad and Tobago are subject to local income tax. Rates are based on a progressive scale which range from 5 to 50%. On taxable income above TT$61,450 a flat rate of 50% is levied. In addition, all individuals earning in excess of TT$10,000 per annum must pay a 5% "unemployment levy" on all taxable income in excess of this amount. Permission may be obtained from the Comptroller of Customs to waive duty on items not intended for resale, as well as bona fide household effects imported for personal use for at least one year, provided similar goods are not produced locally.

10. The Ministry of Public Works-roads and bridges, drainage and reclamation, public buildings.
Port Authority of Trinidad and Tobago.
Water and Sewerage Authority.
Trinidad and Tobago Electricity Commission.
Trinidad and Tobago Telephone Company Ltd.
Point Lisas Industrial Port Development Corp.

11. The official and commercial language is English. The metric system of weights and measures is used.

12. It is estimated that social costs paid by an employer add an additional 25 to 30% to direct labor costs.

Tunisia

EDITOR'S NOTE: The material to be prepared for this section of the Handbook by the American Embassy in Tunis was not received in time to permit its inclusion here. The latest data, presented below, was developed from the data files of the Tunisian Market Manager, Commerce Action Group for the Near East.

1. Engineers are not required to have a license, but they must obtain from the Ministry of National Economy a permit to operate as a consulting or practicing engineer, and register with the Secretariat of State for the Presidency. Foreign engineers are subject to these requirements, except for Government contracts. There are no rules regarding approval of foreign engineers by the Tunisian Government. All foreigners working in Tunisia must obtain a residence card and have their work contract certified by the Ministry of Social Affairs.

2. No information is available about professional engineering societies in Tunisia.

3. A U.S. consulting engineer practicing in Tunisia is required to have a local partner which must be a consulting/engineering firm. The partner may be a resident citizen of any country, provided he is authorized to work in Tunisia. Registration requirements are the same as for local engineers.

4. Local equity participation, as high as 50%, in a contract with a U.S. consulting engineer is required except for special short-term operations. No information is available about local employee participation.

5. Consortium or "turnkey" bids are neither required nor prohibited. Most contracts are awarded on the basis of competitive bids, although some are negotiated directly with preferred firms. All contracts usually involve considerable renegotiation and bargaining. All contracts with Government agencies contain a clause limiting the responsibility of the Tunisian Government to an advisory capacity. Contracts are made by the Tunisian Government Engineer and his decisions are final. It is not known whether special prebid financial requirements are routinely imposed.

6. There is no discrimination.

7. Tunisian dinars are nonconvertible internationally and may not be exported. Exchange controls are administered by the Central Bank. Transfers of salaries and profits are approved freely, within specified limits, provided they are fully documented. Foreigners working in Tunisia can transfer 50% of monthly salary, after deducting taxes, up to a maximum of about U.S. $375 per month if their families reside in Tunisia. There is no limit if their families live abroad. The transfer of dividends and profits is based upon the percentage of capital owned by nonresidents in a given firm.

8. U.S. consultant firms must pay the Business Profits Tax ("Patente"), which includes a standard minimum tax on gross receipts and a proportional tax on book profits; and the Tax on Professional Income, including a flat rate based on the type of business and a proportional rate based on turnover. Domestic firms pay the same taxes.

9. All foreign workers must pay local taxes. These include the Tax on Salaries and Wages, based on income earned in Tunisia, which varies from 5 to 8% after allowable deductions; and the Surtax on Individual Income, ranging from about 1 to 80%. Customs duties are levied on goods imported for projects. Personal possessions of foreign employees may be imported duty-free.

10. A list of Tunisian Government agencies is available from the Commerce Action Group for the Near East, U.S. Department of Commerce, Washington, D.C. 20230.

11. Arabic is the official language, but French is the working commercial language. English is not useful in Tunisia. The metric system of weights and measures is used in Tunisia.

12. Social security costs (including benefits according to family size, young workers' holidays, welfare insurance, sickness, child-birth and maternity leave, death, and medical care) equal approximately 35% of a worker's salary. This does not include certain mandatory bonuses, supply of work clothes, and other allowances.

Turkey

1. Practicing engineers must be registered, but a license is not required. Registration criteria are: (1) Turkish citizenship; and (2) a diploma from a Turkish academic institution, or certification of foreign diploma by the Ministry of National Education. There are 53,200 registered engineers in Turkey. Foreign engineers may not free-lance in Turkey, but may be employed or awarded contracts for specific projects of limited duration, for which they are required to have temporary registration. Employment of foreign engineers is permitted for the mining and petroleum industries. Foreign managerial and technical personnel employed by foreign investments must obtain work permits from the Turkish authorities, which are usually limited in duration and frequently specify the training of Turkish replacements.

2. Turk Muhendis ve Mimar Odalari Birligi (Union of Chambers of Turkish Engineers and Architects), Konur Sokak 4, Yenisehir, Ankara, Turkey. There are about 60,000 members in this Union.

3. Foreign engineers may not establish a private practice in Turkey.

4. There are no specified limits on required local participation. Joint-venture operations are becoming standard practice. They may be consummated either with Turkish private engineering firms, or with the engineering sections of state enterprises which employ engineering services.

5. Consortium-type bids are now the rule for large industrial projects; in some cases, Government agencies have requested joint-venture operations with local engineering firms. Contracts are made both by competitive bidding and by negotiation. Prequalification applications are generally sought in military and important nonmilitary projects. Contracts usually require arbitration in local courts. Most Government agencies require that foreign suppliers provide bid or performance bonds. Public and private sector enterprises are frequently exempt from the principle that the contract should be awarded to the lowest bidder.

6. There is no discrimination against U.S. engineers.

7. The approval of the Ministry of Finance is required for transfer of funds abroad and amounts payable as fees in foreign currency. Such approval should be obtained in advance.

8. Resident aliens are subject to taxation on profits and income earned in Turkey. The corporate tax rate is 20%.

9. The income tax rate is based on ten income brackets, is progressive, and ranges from 10 to 68%. The same rates apply to aliens and Turkish citizens, but deduction for minimum living allowance is not recognized for foreign nationals. Personal belongings, equipment and material to be used during the project may be brought into the country without paying customs duties.

10. Ministry of National Defense.
  NATO Infrastructure Department.
Ministry of Public Works.
  Directorate General of Highways.
  Directorate General of Railways and Harbor Construction Department (DHMI).
Ministry of Communications:
  State Airports Administration (DLH).
  Turkish Post, Telegraph and Telephone Administration (PTT).
  Directorate General of Railways Administration.
Ministry of Energy and Natural Resources:
  State Hydraulic Works—irrigation, drainage, dams, hydroelectric power.
  Directorate General of ETIBANK—mines, metallurgical and chemical plants.
  Turkish Petroleum Corporation—production and refining of oil.
  Turkish Electricity Authority (TEK)—regional power generation and transmission.
  PETKIM Petrokimya A.S.—basic petrochemicals.

11. Turkish is the official language. English and French are also widely spoken. The metric system is used.

12. Take-home pay amounts to about 65% of total compensation and social costs about 35%.

272

Uganda

EDITOR'S NOTE: The Embassy at Kampala was closed on November 10, 1973 and all American diplomatic personnel were withdrawn. The Embassy will remain closed until further notice. The Federal Republic of Germany serves as protective power for the United States in Uganda. The latest available date, presented below, was developed from the files of the Uganda Market Manager, Office of International Marketing, U.S. Department of Commerce.

1. Practicing engineers are not required by law to be licensed. Foreign engineers are required to be registered with the Ministry of Commerce in order to practice in Uganda.

2. Many practicing engineers are members of the East African Institute of Engineers.

3. No information is available about legal requirements for local representation.

4. No information is available about legal requirements for local equity or local employee participation in contracts with U.S. consulting engineers.

5. Consortium or "turnkey" bids are sometimes solicited and package deals including financing are occasionally sought. Price bidding is not a recognized means of making contracts in Uganda. In general, contracts are negotiated in accordance with the scale of fees set by the London Association of Consulting Engineers. No further information is available about the manner in which contracts are made in Uganda.

6. There is no known discrimination.

7. Uganda has exchange restrictions and a foreign firm could experience considerable delay in repatriating fees.

8. U.S. consultancy firms are required to pay local income taxes. The income of nonresident companies is taxed at the rate of 53.75%. Local companies are subject to the corporation tax rate of 45%. Dividends received from resident companies are excluded from the profits so derived. Company profits from mining certain specified minerals are taxed at 22.5%. It is not known whether an U.S. consultant can organize as an overseas branch of his U.S. firm and pay taxes accordingly. Neither is it known whether an economic advantage would accrue as a result.

9. U.S. consultants' expatriate employes are liable for income tax on income received from sources within Uganda. Income tax is levied at progressive rates. Marginal tax rates vary from 12.5% on income up to 1,000 Ugandan shillings (USh) to 77.5% on income over USh5,000. No information is available on the levying of customs duties.

10. Ministry of Industry and Power.
Ministry of Communications.
Ministry of Works and Housing.

11. The official language is English. Uganda is in process of converting to the metric system of weights and measures. The British Imperial System is also in use.

12. There is no information available to determine the social costs borne by the employer in Uganda.

United Arab Emirates

1. In Abu Dhabi, practicing consultants of all nationalities are required to obtain a license from the Department of Town Planning. The license is issued to a firm, not each individual engineer. The registration fee is U.S. $125 and licenses must be renewed annually. In addition, the Abu Dhabi Department of Planning has recently begun registering consulting firms who want to work for the Abu Dhabi Government. Registration forms are available from the Abu Dhabi Department of Planning, P.O. Box 12, Abu Dhabi, U.A.E. There is no charge for registration. No information is available on the number of firms registered.

2. There are no known professional organizations for professional or consulting engineers in the U.A.E.

3. At present, no local agent is required in either Abu Dhabi, Dubai, or Sharjah although such legislation is under consideration in Abu Dhabi. Present Abu Dhabi laws require contracting and trading companies to have a local agent, but firms offering professional services are exempt from this law. The proposed legislation would require consultants to hire local agents. Should a local agent be engaged, he should be registered with the appropriate local Chamber of Commerce.

4. In Abu Dhabi, all firms must be at least 51% locally owned. There are very limited requirements for local employee participation in contracts with U.S. consultants.

5. Generally, "turnkey" bids have not been sought except for very large petroleum-related projects. There is a growing trend away from single all-inclusive contracting. Contracts are usually negotiated in Abu Dhabi and Dubai, though in Abu Dhabi there is a trend towards requiring tenders even for consulting services. Bid bonds of 5% and a performance guarantee of 10% are almost always required. There are no prebid guarantees required.

6. There is no known discrimination practiced.

7. There are no exchange restrictions governing the convertibility of currency or repatriation of fees.

8. U.S. consultant engineering firms are not required to pay local taxes. Only oil companies pay corporate taxes.

9. U.S. consultants' expatriate employees are not liable for local income or other taxes. Customs duties are levied at a nominal rate, usually 2%, on items imported not intended for resale such as equipment and material to be used on a project and the personal possessions of the consultants' employees.

10. Department of Public Works, P.O. Box 3, Abu Dhabi, U.A.E.

    Department of Water and Electricity, P.O. Box 210, Abu Dhabi, U.A.E.

    Department of Planning, P.O. Box 12, Abu Dhabi, U.A.E.

    Dubai Municipality, P.O. Box 67, Dubai, U.A.E.

    Abu Dhabi Municipality, P.O. Box 263, Abu Dhabi, U.A.E.

    Town Planning Department, P.O. Box 862, Abu Dhabi, U.A.E.

11. The official language is Arabic, but English is widely spoken. Both the British Imperial System and International (metric) System of weights and measures are used. The trend is toward metrification.

12. The employer generally pays for employee housing which is very costly. The combination of housing allowances, vacation pay, and airline tickets often equals or exceeds the employee's base salary.

United Kingdom

1. There are no licensing requirements for engineers in the United Kingdom.

2. Association of Consulting Engineers, Abbey House, 2 Victoria Street, London, S.W.1., with a membership of 760 engineers; and, Institution of Civil Engineers, 1/7 Great George Street, London, S.W.1., with a membership of 46,000 engineers.

3. It is not necessary for a U.S. consulting engineering firm to have a local representative. Clearly, this is a desirable arrangement, and should the local representative be a U.S. citizen, he would need an alien's work permit.

4. No local equity participation need be involved in any civil engineering contract financed by any source. Convenience of operations, however, lead most overseas contractors to work together with British-based engineers.

5. "Turnkey" bids are no more typical than any other type. The content of bids including the engineering services required vary from case to case, as necessary. There is no international arbitration. Provision for dispute settlement between the parties involved is written into the contract and has been mutually agreed to beforehand. Special prebid financial requirements such as bank guarantees or bid bonds are not routinely imposed.

6. There is no discrimination against U.S. consulting engineers.

7. Repatriation of fees up to 50,000 pounds is permitted, above that figure, the authorization of the Bank of England is required.

8. A corporation which is resident in the U.K., one which is managed and controlled in the U.K., would be liable to corporation tax on the whole of its profits. It would also have to pay advance corporation tax whenever it made a distribution of profits by way of dividends. These taxes are levied at rates of 52 and 35%, respectively. There is a Double Taxation Convention between the U.S. and the U.K., and a new Convention has been signed, but not yet ratified by either nation.

9. Any person who performs the duties of his employment in the U.K. is liable to U.K. income tax on his earnings for duties performed there. For details on the tax structure, the U.K. Income Tax Guide should be consulted. Import duty is only levied on equipment or materials that stay permanently in the U.K. Similarly, personal possessions are exempted provided the employee does not take up permanent residence in the U.K.

10. The Department of Energy through its responsibilities in the National Coal Board, the Central Electricity Generating Board, the British Gas Corporation, the U.K. Atomic Energy Authority and Development of North Sea Oil. Also, the Department of the Environment, which includes the Ministry for Planning and Local Government, the Ministry of Transport, and the Ministry for Housing and Construction.

11. English is the official and commercial language. The British Imperial System of weights and measures is still used. Little enthusiasm is displayed for the introduction of metrification, although this remains official U.K. Government policy.

12. Legislation in the U.K. requires employers to pay to the Department of Health and Social Security 8.75% of each employee's annual salary (the employee himself pays 5.75%). These contributions provide for a range of welfare payments. Holiday pay, year-end bonuses, retirement pensions and severance pay are all the responsibility of the employer.

Upper Volta

1. Engineers are not required by law to have a license to practice. Foreign engineers may practice without a license.

2. There are no professional organizations in Upper Volta for consulting engineers.

3. A U.S. consulting engineer is not required to have a local representative.

4. Neither local equity nor local employee participation is required in contracts with U.S. consulting engineers.

5. Consortium-type of "turnkey" contracts are frequently requested. Contracts are made by price bidding. It is not known whether it is possible to adopt negotiated contracts preceded by prequalification when price bidding occurs. Contract terms routinely provide for the international arbitration of disputes. It is not known whether special prebid financial requirements such as bid bonds or bank guarantees are routinely requested.

6. There is no discrimination reported against U.S. consulting engineers, but French engineers may enjoy preferential treatment because of historical ties.

7. There are no restrictions on convertibility of currency or repatriation of fees.

8. There are many local taxes for which U.S. consulting firms would be liable. The tax rates vary and are often changed. Local engineers pay the same taxes as foreign engineers. A U.S consultant may organize as an overseas branch of his U.S. firm and pay taxes accordingly. There would be no economic advantage realized by doing so.

9. It is not known whether U.S. consultants' expatriate employees would be liable for local taxes A consultant living in Ouagadougou would pay some taxes. There are many taxes, and they change frequently. Customs duties are levied on items imported which are not intended for resale such as equipment and materials to be used on projects and the personal effects of the consultants' employees.

10. Government agencies do not employ private consulting engineers. Engineering services are performed by a number of French consulting engineers who are salaried employees of the Government. Occasionally, European consulting engineers are engaged for the larger projects; however, such projects are usually financed by French or other aid programs and the engineering services are usually procured from the donor country.

11. The official and commercial language is French. The metric system of weights and measures is used.

12. Social security, retirement, and vacation pay add about 17% to employers' labor costs. Other fringe benefits vary, but generally add another 15 or 20% to direct labor costs.

Uruguay

1. Engineers are not required to have a license, but they must hold an engineering degree from the University of Uruguay. There are about 850 engineers practicing in Uruguay. To obtain such a degree, the foreign engineer must successfully pass the same examinations (in the Spanish language) as are required of an undergraduate candidate for the degree.

2. "Asociacion de Ingenieros del Uruguay" (Engineers' Association of Uruguay—a professional society), Avada. Agraciada 1464, P. 14, Montevideo, Uruguay, with a membership of about 800.

3. In private practice it is advisable, but not required, that a foreign consultant act through a local representative. On national or municipal government contracts, representation is mandatory by a person or firm identified as a *legal* representative and by a local *technical* representative holding an Uruguayan degree in engineering. Additional information on representation may be obtained from the Registro Nacional de Empresas de Obras Publicas-RENEOP (National Registry of Public Work Contractors), an agency of the Uruguayan Ministry of Transport and Public Works.

4. Requirements for local participation on Government projects vary with the project. In general as much local participation as possible is advisable. Interested parties should contact RNEOP for information on participation in each case.

5. Consortium or "turnkey" contracting is prohibited. Tender procedures calling for consultants include a two-envelope system, the first containing qualifications and the second, fees and payment terms, which are then negotiated. Contract terms provide for the settlement of disputes by Uruguayan law exclusively, but usually include some form of arbitration mechanism. Usually there are special prebid financial commitments required, some of which affect the costs of preproject proposals.

6. There is no discrimination practiced against U.S. consulting engineers.

7. There are no restrictions on convertibility of currency or repatriation of fees.

8. Foreign consultants are required to pay local corporate or other taxes only if they are established permanently in Uruguay. If so established, they are subject to a detailed and complex taxation system. Established domestic engineering firms are required to pay the same taxes. Any foreign consultant may establish a branch office and pay taxes as required. An economic advantage in organizing a local branch office would accrue only in the event of securing new contracts in a very limited market.

9. Foreign consultants' expatriate employees are not subject to local income or other taxes. Customs duties are not levied on items imported for use on the project. Neither are they imposed on the personal possessions of the foreign consultants' personnel.

10. Government ministries, autonomous entities and other agencies employ foreign consultants of one type or another, but only for major projects, and then normally only if the projects are financed by international lending agencies.

11. The official and commercial language is Spanish. The metric system of weights and measures is used.

12. Social costs paid by the employer amount to an additional 52% over direct labor costs.

Venezuela

1. Engineers must be licensed. There are about 11,000 licensed engineers practicing in Venezuela. Licensing of a foreign engineer is a complex process. The College of Engineers, an accredited university, and the Ministry of Education are variously involved. The only legal requirement is that the foreign engineer be a graduate of a recognized, university-level engineering school.

2. There are two professional organizations: (1) "Colegio de Ingenieros de Venezuela" (College of Engineers of Venezuela), Parque Los Caobos, Avenida Principal, Los Caobos, Caracas with 17,093 members, and (2) "Sociedad Venezolana de Ingenieros Consultores" (Venezuelan Society of Consulting Engineers), Apartado 3760, Caracas. The Society has approximately 50 members.

3. While not a uniform legal requirement, the association by foreign engineering firms with local engineers has recently become one of the basic requirements in the Government's tender preselection procedures. As a practical matter, since foreign engineers without revalidated certificate and Venezuelan license are not authorized to sign plans and the like, association with a Venezuelan engineering firm has certain advantages. The local representative need not be a Venezuelan citizen, but he must have a Venezuelan engineering license and be authorized to work in Venezuela.

4. The degree of local participation expected or desired is almost never specified, but is an important contract award criteria.

5. It is the practice to request consortium or "turnkey" bids. For larger contracts, only preselected firms are permitted to bid. From that point on, price as well as other factors influence the selection process. Principal jurisdiction for settlement of disputes is Venezuela. International arbitration is subject to negotiation. Prebid financial commitments are routinely required.

6. American consulting engineers enjoy preferential status.

7. There are no restrictions on foreign exchange affecting convertibility or remittances.

8. U.S. consultant firms are required to pay the same local corporate and individual income taxes that domestic firms pay. Corporate taxes are levied at rates of 15 to 50% after allowable deductions. A U.S. consultant can organize as an overseas branch of his U.S. firm and pay taxes accordingly, but it is doubtful that he would realize an economic advantage by doing so.

9. U.S. consultants' expatriate employees are subject to local income and other taxes. These taxes are levied at rates ranging from 4.5 to 45%. The personal possessions of consultants and their employees are subject to import duties. Equipment and tools may be imported temporarily. A bond representing the potential import duty liability must be posted with customs. This bond is refunded upon re-export of the property.

10. Ministry of Public Works–housing, bridges, irrigation dams.

Ministry of Communications–airports, port systems.

Ministry of Defense–military installations, maintenance facilities.

Ministry of Health–hospitals.

INOS–water distribution systems, and sewage collection systems and treatment plants.

EDELCA–large hydroelectric dams.

CADAFE–power plants, power distribution systems, dams.

CANTV–telephone systems, microwave systems, undersea cables.

IVP–petrochemical plants.

11. The official and commercial language is Spanish. Many Venezuelan professionals have some command of English, but Spanish is mandatory for official communication with Governmental agencies. The metric system of weights and measures is used.

12. Fringe benefits (including employer tax contributions) can range from 25 to 70% of take-home pay.

YEMAN ARAB REPUBLIC
EMBASSY: Sana
Box 33 FPO NY 09545

YUGOSLAVIA
EMBASSY: Belgrade
Kneza Milosa 50
Tel. 645655

CONSULATE GENERAL:
Zağreb
Zrinjevac 13
Tel. 444-800, 444-238

ZAIRE
EMBASSY: Kinshasa
310 Avenue des Aviateurs,
APO NY 09662
Tel. 25881 thru 25886

CONSULATE: Bukavu
Boite Postale 3037
Ave. Mobutu APO NY 09662
Tel. 2594

CONSULATE: Lubumbashi
1029 Blvd. de L'Ueac,
Boite Postale 1196
APO NY 09662
Tel. 2324/5

ZAMBIA
EMBASSY: Lusaka
P.O. Box 1617
Tel. 50222

Yemen Arab Republic

EDITOR'S NOTE: Diplomatic relations were re-established with the Yemen Arab Republic in July 1972. An Embassy is now located in Sana and both the Peace Corps and the Agency for International Development are conducting large-scale programs in several development fields.

1. There are no laws governing the licensing of engineers in Yemen. In order to compete for any internationally-sponsored project in Yemen, an American engineer must have U.S. professional registration.

2. There are no professional organizations in Yemen for consulting engineers.

3. The requirements for a U.S. firm to have a local representative are variable and dependent upon the specific project being considered.

4. There are no legal requirements governing the extent of local participation in contracts with a U.S. firm. Generally, concessions under the new investment law are much greater if there is local participation in the project.

5. Consortium or "turnkey" bids have not been required until now. In contracting for the services of a consultant engineer, the practice of price bidding has become increasingly more common with additional contract negotiations following. It is not known whether or not it is possible to adopt negotiated contracts preceded by prequalification. Contract terms do not routinely provide for the settlement of disputes through international arbitration. Prebid financial commitments vary with individual projects and thus far have been very lenient, in contrast with practice in other parts of the Arabian Peninsula.

6. There is no discrimination against U.S. consulting engineers.

7. The currency of Yemen is freely converted, and there are presently no restrictions governing the repatriation of fees.

8. U.S. consultant firms engaged in regular commercial activity in Yemen are required to pay local income tax even though they have no established tangible material entity in Yemen in the form of a branch or office. This applies only to those firms performing work outside of the public sector. At present, and for the forseeable future, there are little or no job opportunities for U.S. consulting engineers in the private sector. Net annual profits of firms are liable to a progressive income tax which varies between rates of 7 and 25%. Domestic engineering firms are required to pay the same taxes, but rarely do in practice. It is not known whether a U.S. consultant can organize as an overseas branch of his U.S. firm and pay taxes as required.

9. Since private sector contracting is extremely limited, consultants' expatriate employees would not be liable for local taxes because they would in all probability be involved in an internationally-sponsored development project. No information is available either on personal local taxes or their rates. No customs duties would be levied on items imported not intended for resale if the project were covered under the provisions of the current investment law.

10. Ministry of Agriculture.
Ministry of Public Works.
Ministry of Education.
Highway Authority.
National Water and Sewage Authority.
National Port Authority (projected).
Ministry of Supply (projected).

11. Arabic is the official language, but English is used in some extent in commercial circles. The metric system and some local units of weights and measures are used.

12. The relationship of social costs to take-home pay is not known. Traditionally, all employees' medical expenses are borne by the employer, although this practice has not been followed by expatriate companies and foreign missions.

Yugoslavia

1. Engineers are not required to have a license. Engineers are not permitted to practice as individuals. A university degree establishes competence of applicant seeking employment with an engineering enterprise. A foreign engineer can practice in Yugoslavia without a license, but he must be serving within the framework of a joint venture, industrial cooperation, or investment project contract awarded to a foreign company.

2. "Savez inzenjera i techicara Jugoslavije" (Yugoslav Association of Engineers and Technicians), Kneza Milosa 9, 11000 Beograd. President: Ing. Dime Lazarov.

3. A local representative is not required by law, but a representation or consortium agreement with a local enterprise may be required by the customer for a specific project. The local representative must be a citizen of Yugoslavia. There are no requirements to register a representation agreement limited to a specific project. A permanent representation agreement must conform to a Yugoslav "social accord" (similar to regulation) and be registered by the representative with the Yugoslav Economic Chamber.

4. Regulations and practice make it difficult to avoid local equity participation, although there is no explicit legal requirement for the same. A foreign contractor must employ local personnel except for those foreign persons who are engineering-technical supervisors or managers; operators of special equipment; and specialists for specific operations if such are not available locally.

5. "Turnkey" bids are not requested as a general rule, but some investors require them. Contracts with well-known international firms are negotiated, but may be preceded by prequalification requirements and price bidding. Contract terms can be written to provide for international arbitration of disputes if so requested. Bank guarantees and deposits are routinely required.

6. There is no discrimination.

7. There are specific exchange controls governing the convertibility of currency and the repatriation of fees. A foreign contractor must ensure that the investor has foreign exchange available.

8. U.S. consultant firms are required to pay the same local taxes as domestic firms pay. The tax rate is not uniform and varies geographically depending in which of the six republics and two provinces the investment project is carried out. A U.S. consultant may not organize as an overseas branch of his U.S. firm in Yugoslavia.

9. U.S. consultants' expatriate employees are liable for local taxes, but only on income payments disbursed to them in Yugoslavia, not on expenses. There is a withholding tax of about 23% on net income per month, and a progressive annual income tax on net income. Equipment and materials used on the project enter under a temporary import clause. No duty is payable on these items provided they are re-exported within stated time limits. A deposit may be required. Personal possessions are not subject to customs duties.

10. Consulting engineers' enterprises are engaged by many federal, republican and municipal Government agencies. Individual engineers are often permanent employees of these agencies and are in managerial or supervisory positions.

11. Serbo-Croatian, Slovene and Macedonian are the three major languages. German and English are widely used in foreign commerce. The metric system of weights and measures is used. Electrical power is 380/220 V, 50 hertz.

12. In addition to take-home pay, the employer must pay approximately 61% of the take-home pay as withholding tax and social security payments, 23% and 38%, respectively. Other fringe benefits are negotiated collectively with the foreign contractor when he submits to the Economic Chamber the list with the number and skill classification of employees he needs.

Zaire

EDITOR'S NOTE: The material to be prepared for this section of the Handbook by the American Embassy in Kinshasa was not received in time to permit its inclusion here. The latest available data, presented below, was taken from the information reported on the Democratic Republic of the Congo (Kinshasa) in the previous edition of the Handbook (1970).

1. Engineers are not required by law to be licensed to practice in Zaire.

2. No information is available on professional engineering organizations or societies that may be located in Zaire.

3. A practicing U.S. consulting engineer is not required to have a local representative. A U.S. engineer must have a visa permitting the establishment of residence. If he has no commercial activities, he may commence work immediately; otherwise, he must be entered in the Register of Commerce. If the importation of machinery and materials into Zaire is required, he must be entered in the Register of Importers. In this case, his capital has to be 50,000 Zaires; but if an association with a Zairian partner is made, this amount can be as low as 20,000 Zaires.

4. Local contract participation is not required. Local employee participation is required only in the case of a company established in Zaire.

5. Consortium or "turnkey" bids are the preferred method of tendering a project. The practice is to award the contract to the lowest bidder, with the provision that the specifications of the contract will be honored. No additional information is available on contracting procedures in Zaire.

6. No discrimination is practiced.

290

7. Currently, repatriation of fees is permitted. All foreign exchange operations are subject to approval by the National Bank.

8. U.S. consultants are not required to pay local corporate taxes. No additional information is available at this time.

9. U.S. consultants and their expatriate employees are liable for local taxes levied against their salaries. Local and foreign consultants pay the same taxes. Average tax on engineers' salaries is approximately 30%. No information is available on the levying of customs duties.

10. "Ministere des Travaux Publics"—roads, ferries, bridges, public buildings, and city planning.

"Ministere de l'Agriculture"—agriculture.

"Ministere des Transports et Communications"—civil aviation, ports, river navigation, and meteorology.

"Ministere de la Defense National"—Army.

"Ministere des Terres, Mines, Energie-Geologie"—mining.

"Ministere des Postes et Telecommunications"—communications.

It was reported in 1970 that there is a good potential market for U.S. consulting engineers in Zaire. There are few restrictions on engineering activities. The consulting engineering profession is not formally organized, although there are several consulting firms established in Zaire. Since 1966, 118 graduate engineers have been employed exclusively by the Government. Private construction companies now ordinarily hire their engineering services from European firms.

11. The official language is French. The metric system of weights and measures is used.

12. There is no information available on social costs.

Zambia

1. Neither Zambian nor foreign engineers are required to be licensed to practice in Zambia. However, foreign engineers are required to belong to a recognized engineering society in order to obtain the necessary residence work permit.

2. There are two professional organizations for consulting engineers in Zambia. These are the Engineering Institution of Zambia, P.O. Box 3730, Lusaka, and the Association of Consulting Engineers, c/o The Professional Centre of Zambia, P.O. Box 3730, Lusaka. The membership of the former is 650, while that of the latter is 29 firms.

3. A U.S. consulting engineer firm is not required to have a local representative to practice in Zambia.

4. Neither local participation nor local employee participation in a contract with a U.S. consulting firm is specified in Zambia. However, it is encouraged and in some contracts may be required.

5. It is not the usual practice to request consortium bids, but there may be exceptions where legal projects are involved. Contracts are both negotiated and awarded by competitive bidding. It is legally possible to adopt negotiated contracts preceded by prequalification. Contracts do not routinely contain provisions for the arbitration of disputes. In some, but not all contracts, special prebid financial commitments such as bank guarantees and bid bonds are required.

6. There is no discrimination practiced against U.S. consulting engineers.

7. There are exchange restrictions. however, foreign companies may repatriate profits without limit, providing that approval of the foreign exchange authorities is obtained. Nonresidents are permitted to repatriate investments made with external funds.

8. If the U.S. consultant firm has a permanent establishment in Zambia it is subject to Zambian tax. If no permanent establishment of the firm can be proven then it is exempt from taxation of its commercial and industrial profits. The Zambian corporate tax rate is 45%. The rate of withholding tax on management and consultancy fees is 15%. Domestic engineering firms pay corporate tax at a rate of 45%. The U.S. consultant can organize as an overseas branch of his U.S. firm if permanent establishment can be proven. Such an arrangement would offer an economic advantage.

9. The U.S. consultants' expatriate employee is exempt from Zambian tax if he is in Zambia for a period of less than 183 days, or his services are performed for, or on behalf of, a person resident in the U.S. If the employee is treated as a resident of Zambia he is subject to Zambian tax, i.e. *Pay As You Earn,* if in employment. Custom duties are levied at variable rates depending upon the nature of the items imported. Used personal effects are usually permitted duty-free entry.

10. Ministry of Public Works.
Ministry of Power, Transport & Communications.
Ministry of Local Government & Housing.
Ministry of Rural Development.
Local Government Authorities.

11. The official and commercial language is English. The metric system of weights and measures is used.

12. Fringe benefits are considered high, and may include provision of housing or housing loans. Benefits to foreign workers may include education allowance and terminal payment at the end of a contract.